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review and coordination of the
implementation of the Programme of
Action for the Least Developed Countries
for the Decade 2011-2020**

**Implementation of the Programme of Action for the Least
Developed Countries for the Decade 2011-2020****Report of the Secretary-General***Summary*

The present report is submitted pursuant to General Assembly resolution 69/231 and Economic and Social Council resolution 2014/29, in which the Secretary-General was requested to submit a progress report on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action). In resolution 69/231, he was also invited to report on progress made towards including the implementation of the Istanbul Programme in the agenda of the United Nations System Chief Executives Board for Coordination.

* A/70/50.



I. Introduction

1. Four years ago, the global community gathered in Istanbul, Turkey, from 9 to 13 May 2011, at the Fourth United Nations Conference on the Least Developed Countries and adopted the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action). The Programme of Action was framed as a compact between the least developed countries and their development partners and geared towards achieving sustainable development, poverty eradication and structural transformation in the least developed countries. Eight priority areas of action, underpinned by 47 goals and targets to be achieved by 2020, define the compact (see A/67/88-E/2012/75 and Corr.1). The Istanbul Programme of Action also makes some provisions for follow-up and monitoring mechanisms. The present report is one such mechanism.

2. Section II of the report provides an overview of the recent performance and prospects of the least developed countries. Section III assesses the rate of progress towards achieving the goals and targets of the Istanbul Programme of Action. Section IV reports on actions by least developed countries, development partners and other stakeholders, including by the United Nations system, in advancing the implementation of the Programme of Action. Section IV also contains a narrative on preparations for the comprehensive high-level midterm review of the Istanbul Programme of Action, on progress towards graduation and on South-South cooperation. Section V concludes and offers some policy recommendations aimed at scaling up the implementation of the Programme of Action.

II. Recent performance and near-term prospects

3. Recent developments in many least developed countries echo two distinguishing features of growth dynamics in that group of countries: the relatively low pace of economic expansion given their level of development and growth potential, and the volatility of such expansion.

4. The gradual economic rebound that has been under way in many least developed countries since 2013 was halted in 2014. Reflecting that development, gross domestic product (GDP) growth for the group decelerated to 5.1 per cent in 2014, down from 5.4 per cent posted in 2013. An important manifestation of the deceleration in the pace of economic growth is a reduction in the number of economies of least developed countries that advance by 7 per cent or more, which is the GDP growth target of the Istanbul Programme of Action. Ten least developed countries grew at a speed close to and more than that target in 2014, compared with 13 in 2013. That performance falls short of the level required to significantly improve economic and social conditions in the least developed countries.

5. The deceleration of economic growth in many least developed countries was the by-product of a set of national, regional and international factors. Dragged down by declining oil prices, temporary reduction in oil production and a slowdown in agricultural output growth, the economy of Angola, which is the second largest among the least developed countries, advanced at a slower pace than in 2013. GDP growth of the Sudan was also limited owing to continued adjustment to the significant reduction in oil production and fiscal revenues following the independence of South Sudan. The severe floods that affected parts of Solomon

Islands, combined with the closure of the country's gold mine, conspired to depress its GDP growth. The most emblematic of all growth decelerations in 2014 were, however, those recorded in the countries most affected by Ebola (Guinea, Liberia and Sierra Leone), and in South Sudan. GDP growth slowed considerably in Guinea, Liberia and Sierra Leone as farms were abandoned; mining operations were stopped; travel restrictions and the closing of borders limited the movement of goods, services and people; and investments were put on hold or cancelled. Disruptions in oil production and exports caused by protracted civil conflict and a fall in agricultural output driven by adverse weather conditions also resulted in a severe contraction of economic activity in South Sudan in 2014.

6. A number of least developed countries, although not in a deceleration cycle, remained mired in prolonged slow growth. That was particularly the case for the Comoros, Guinea-Bissau, Kiribati, Tuvalu and Vanuatu, all of which are small island developing countries. Underlying the sluggish growth rate in those countries are, among other things, their narrow production and export bases and greater exposure to exogenous shocks.

7. Consistent with patterns of previous years, growth rates were not uniformly distributed across the least developed countries. The growth story told by that group of countries in 2014 was not one of economic stagnation, contraction and deceleration only, although those weighed significantly on the aggregate GDP growth for the group. A few economies of least developed countries continued to display signs of remarkable strength even in the face of a frail international economic environment. Ethiopia, the Lao People's Democratic Republic, Mozambique, Myanmar and the United Republic of Tanzania maintained stellar growth rates similar to those sustained prior to and after the adoption of the Istanbul Programme of Action. The common thread running through the experiences of those countries was the broad nature of their economic expansion, in particular the growing dynamism in sectors other than agriculture, such as construction, services and manufacturing and/or the extractive industries. Those growth experiences were supported by large public sector investment in infrastructure development and strong foreign direct investment (FDI), both of which enhanced productive capacity. Growth in Bangladesh, the largest economy in the group, continued to be robust, helped by strong domestic demand.

8. Looking ahead, aggregate GDP growth for the least developed countries is expected to level out in the short run, reaching 5.9 per cent in 2015, up from the 5.1 per cent estimated in 2014. The improvement in the group's economic growth reflects in part expectations for an improved security situation in the Central African Republic, Mali and South Sudan, a return to the pre-2014 level of oil output in Angola and large foreign-financed infrastructure projects in Solomon Islands, all of which are buoying economic activity in those countries. Elsewhere across the least developed countries, growth is expected to display similar features as in 2014.

9. The overall strength and breadth of the expected economic revival in 2015 seems modest, however, particularly in view of the numerous development challenges before the least developed countries. Worse still, the outlook for 2015 is subject to risks, with negative weighting. One of those risks pertains to the economic outlook in the economic partners of least developed countries, particularly in emerging economies such as China and India, which will influence the demand and price for exports and the volume of FDI flows channelled to the countries. The

same holds true for the economic conditions in traditional development partners, which also determine the pace of the group's exports growth, tourism receipts, remittances and official development assistance, and therefore of least developed countries short-term growth prospects. Another risk relates to the security situation, particularly in the Sahel, as well as political uncertainties. The recent Ebola outbreak, although subsiding, poses a threat to growth and development in a number of African least developed countries. Adverse weather and climate conditions could also depress agricultural output and slow activity in other sectors, thereby constraining economic growth more than expected.

10. The risks and uncertainties associated with the outlook and the persistent pattern of relatively weak and volatile economic growth are symptomatic of the limits to the production structures of the least developed countries and their extreme structural vulnerability to shocks. Lessons from success stories in a few least developed countries and from emerging countries suggest that those challenges can be effectively addressed through productive capacity-building and structural transformation.

III. Progress on the implementation of key priorities of the Istanbul Programme of Action

11. Of the eight priority areas for action of the Istanbul Programme of Action, building productive capacity has the most far-reaching impact on the other seven priorities. Productive capacity is not measured solely through the success with which productive assets are built but also through dynamic structural changes taking place in the economy. Those changes include increased labour productivity, which should lead to more decent jobs, sustainable and inclusive economic growth and economic diversification, in particular through a growing range of higher value-added and technology-oriented goods and services.

A. Productive capacity-building

12. Changes in the sectoral composition of GDP, particularly in favour of sectors with higher productivity, have been much slower in many least developed countries than in other developing countries. The share of manufacturing in least developed countries declined slightly from an average of 10.3 per cent in 2001-2010 to 9.6 per cent in 2011-2013.

13. A major drag on building productive capacity across the least developed countries was low investment rates. Gross capital formation as a percentage of GDP rose only modestly, from an average of 21.4 per cent in 2001-2010 to 24.5 per cent in 2011-2013. By comparison, the investment rate of China averaged 35 per cent in the 1980s, when its per capita income was comparable to that of the least developed countries today.

Infrastructure

14. The expansion of the mobile telephony industry continued to be remarkable. Over 56 per cent of the population of the least developed countries subscribed to mobile/cellular telephone services in 2013 compared with only 49 per cent in 2012.

The Gambia reached a 100 per cent subscription rate for the first time in 2013, joining Cambodia, Mali and Mauritania, where the rate exceeds 100 per cent. By contrast, Eritrea, Kiribati and Myanmar had cellular subscription rates below 20 per cent. However, even in countries that did relatively well, important rural-urban disparities remain and need to be bridged.

15. The rate of Internet usage continued to be marginal. The highest rates were found in Bhutan, Sao Tome and Principe, the Sudan, Senegal, Tuvalu and Yemen, where 20 per cent or more of the population had access to the Internet in 2013. At the other end of the spectrum, fewer than 2 in 100 people had access to the Internet in Burundi, Eritrea, Ethiopia, Guinea, Myanmar, the Niger, Sierra Leone, Somalia and Timor-Leste.

16. Access to broadband was very low in the least developed countries. As at September 2013, over 90 per cent of the population of the least developed countries were without broadband access.¹ Least developed countries therefore continued to miss out on opportunities for promoting social and economic development, enhancing governance through improved transparency, increasing access to learning and health care and empowering women, girls and boys, as well as lowering retail prices.

17. In recognition of the interconnection and interaction among all modes of transport, and their bearing on economic growth and development, the Istanbul Programme of Action set a target for substantial increases in combined rail and paved road mileage and sea and air networks by 2020. An initiative to build a new East Africa railway connecting Burundi, Kenya, Rwanda, South Sudan and Uganda was launched in 2014. Other new initiatives in 2014 included railways connecting Ethiopia and Djibouti, the Chad railway network and extending the railway linking China to Bhutan, India and Nepal. Some projects have been completed, including the Benguela railway connecting Angola, the Democratic Republic of the Congo and Zambia. The overall length and conditions of the railway networks in many least developed countries, however, still lag far behind those of other developing countries.

18. Road networks and conditions continued to improve, although not at the pace required to make a significant impact. Sections of regional highways in Africa and Asia are under construction. Despite those improvements, many transport corridors continued to display missing links, especially in least developed countries in Africa.

19. The volume of freight air transport volume has more than doubled and the number of air passengers has tripled in the least developed countries from 2000 to 2013. However, the volume was still a fraction of that of all developing countries. Air connectivity could be further expanded if the stock of physical infrastructure were refurbished and expanded, institutional and regulatory frameworks under which the industry is operating were strengthened and safety conditions were improved.

20. The Liner shipping connectivity index, which is a good measure of maritime connectivity, points to an improvement in the least developed countries, increasing from 8.1 in 2013 to 9.0 in 2014. Major constraints to maritime connectivity remain across the least developed countries, however, and increasing maritime piracy off the coasts of East and West Africa thwarted maritime traffic and discouraged trade.

¹ Broadband Commission for Digital Development, *The State of Broadband 2014: Broadband for All* (Geneva, 2014). Available from <http://www.broadbandcommission.org/documents/reports/bb-annualreport2014.pdf>.

Energy

21. Only one in three people in least developed countries is connected to a power supply, a percentage varying widely from 1.5 per cent in South Sudan to 76.3 per cent in Nepal and between urban and rural areas.

22. Some success stories include large-scale investments in expanding the power infrastructure in some countries and some small hydroelectric and biomass projects. Renewable energy is also at the core of many rural electrification programmes currently being pursued in many least developed countries.

23. Factors leading to such progress included a widening of the sources of finance for the energy sector as well as stronger public-private partnerships, such as the Secretary-General's Sustainable Energy for All initiative, which promotes partnerships among governments, business and civil society. Improved governance enabling institutional regulatory frameworks and support for bankable energy projects will be required to attract additional investment to the sector.

Science, technology and innovation

24. FDI inflows, the payment of royalties and licensing fees, capital goods imports and trade in high-technology products are some of the most common channels through which technology is acquired and used and innovation is fostered. However, those channels do not operate fully in the least developed countries owing to the expense of such transactions.

25. Furthermore, public resources earmarked to research and development are marginal, as is the number of scientists. Expenditure on research and development averaged only 0.2 per cent of GDP. The ratio of researchers in research and development per million people is as low as 5.9 in Lesotho and as high as 361.3 in Senegal.

26. The flexibilities offered by the intellectual property rights regimes of the World Intellectual Property Organization and the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights are not fully utilized, in part because of their temporary nature and the loose monitoring of their compliance.

27. The proposal by the Secretary-General of a technology bank dedicated to the least developed countries, comprising a patent bank, a science, technology and innovation mechanism and a science and technology research depository, is expected to help address challenges related to technological acquisition and innovation in least developed countries. A high-level panel on the feasibility of a technology bank for least developed countries met in Gebze, Turkey, on 16 and 17 February 2015, and agreed to prepare a feasibility study for the establishment of a technology bank and a science, technology and innovation supporting mechanism dedicated to the least developed countries.

Private sector development

28. Many least developed countries continued to pursue institutional and regulatory reforms geared towards fostering private sector development. As a result of those reforms, Benin, the Democratic Republic of the Congo, Senegal and Togo rank among the top 10 countries in the world in terms of having eased obstacles

associated with the creation and running of businesses.² Some of those reforms were pursued in the context of regional initiatives, such as that of the Organization for the Harmonization of Business Law in Africa.

29. Obstacles to further progress included the large size of the informal sector, the limited growth potential of small enterprises resulting in a limited number of medium-sized firms and persistently low productivity. Unlocking the development potential of the private sector will require a more comprehensive approach, building on existing reforms while strengthening the productive capacity of firms, especially small and microenterprises.

B. Agriculture, food security and rural development

30. The prevalence of undernourishment in least developed countries decreased from 28.6 per cent in 2009-2011 to 27.5 per cent in 2012-2014, but the number of chronically undernourished rose, reaching 246.7 million in 2012-2014. That makes the least developed countries home to 30 per cent of the global population living with hunger, while accounting for only 12 per cent of the world population. A good indication of the magnitude of the challenges before the least developed countries is the scorecard of progress towards halving the number of chronically underfed people based on levels in 1990. In 2014, only Djibouti, Mali, Myanmar and Sao Tome and Principe met the target of halving the number of chronically underfed people based on levels in 1990.

31. The majority of households in least developed countries are in rural areas and rely on low-productivity and subsistence agriculture as their main source of employment and living. Low productivity implies weak purchasing power, limited access to food and the exposure of countries that are net food importers to price fluctuations in international markets. Significant nutritional imbalances in diets, particularly lack of proteins, vitamins and other nutrients, also result in a high prevalence of malnutrition even in some least developed countries that have made inroads towards reducing hunger.

32. Addressing food and nutrition security involves enhancing governance for food security and improving labour productivity, such as through the use of adequate technologies and farm management practices and by addressing issues related to access of small farmers and women to land, credit and extension services. The complex nature of the problems requires a holistic and multi-stakeholder approach targeting agricultural production and productivity, rural development, resilience-building, education and health, public works, trade and markets.

C. Trade

33. Despite declining commodity prices, exports of goods and commercial services of the least developed countries totalled \$250.0 billion in 2013, a growth of 5.3 per cent compared with only 0.6 per cent in 2012. Imports of goods and commercial services amounted to \$310.6 billion in 2013, a growth of 6.6 per cent in 2013 compared to 9.2 per cent in 2012. Increased trade flows in least developed countries in 2013 were driven by significant increases in volumes, which were the

² World Bank, *Doing Business 2015: Going Beyond Efficiency* (Washington, D.C., 2014).

strongest since 2008. In real terms, exports are estimated to have risen by 8.8 per cent whereas imports rose by 9.4 per cent, widening trade deficits. The persistent deficit in current accounts is a major challenge for least developed countries.

34. The share of least developed countries in world trade rose marginally, from 1.13 per cent in 2012 to 1.14 per cent in 2013. With seven years remaining before 2020, the year for which a goal was set to increase the share to 2 per cent, least developed countries exports will have to expand by more than double the pace of expansion of world exports if that target is to be met.

35. Limited productive capacities and export structures dominated by primary commodities block the needed export dynamism that exports of non-primary goods and higher value-added and technology services require. Even in countries that made progress in manufactured goods exports, textile products accounted for much of those exports. Exports of services increased strongly, although from a low basis, and have become more diversified, with computer and information services growing by 24 per cent in 2013, which is the strongest expansion in the industry. The limited product diversification of least developed countries exports contrasted with the geographical broadening of trade destinations, with developing countries receiving 55 per cent of exports in 2013 compared with 52 per cent in 2012.

36. Progress in granting duty-free, quota-free market access to least developed countries was limited during the period under consideration. Chile and China extended duty-free, quota-free treatment for least developed countries to 99.5 and 97.0 per cent of their tariff lines, respectively. Average tariffs on exports from least developed countries have also declined significantly, but as tariffs on exports from other developing countries also declined, the marginal tariff preferences enjoyed by least developed countries over other developing countries shrank, particularly for manufacturing products.

37. Least developed countries also face high trade costs associated with poor inland transportation infrastructure and, for landlocked least developed countries, cross-border bottlenecks. Those costs further undermined the competitiveness of their exports and increased the costs of their imports.

38. The agreements in the "Bali package" resulting from the Ninth Ministerial Conference of the World Trade Organization, held in Bali, Indonesia, from 3 to 6 December 2013, relating to least developed countries need to be implemented, with further refinements needed for the 15-year service waivers and the rules of origin. The waivers should cover services by natural persons, as categorized under mode 4 of the General Agreement on Trade in Services, in which the least developed countries have comparative advantage. Developed-country WTO members need to improve existing duty-free, quota-free product and country coverage. Evidence suggests that achieving the Doha Round objective of full duty-free, quota-free coverage remains a valuable goal for the least developed countries group, as the exclusion of even a relatively small number of products has an impact on exports, given the concentration of individual least developed countries in a narrow range of products. Setting voluntary guidelines on rules of origin is important but not sufficient, as that leaves it to the discretion of the preference-extending country to abide by them or not.

D. Commodities

39. The commodity boom of the late 2000s further deepened the dependence of most least developed countries on primary commodities. Despite softening commodity prices, the share of primary commodities, precious stones and non-monetary gold as a percentage of least developed countries total merchandise exports stood at 77 per cent in 2014, similar to the mid-2000s.

40. A few least developed countries, however, made major strides towards structural transformation, increasing the importance of manufacturing and services in their economies by increasing the number of goods and services produced and exported and through upgrading their quality. Countries such as Bangladesh, Cambodia, Ethiopia, Mozambique and the United Republic of Tanzania are cases in point, but still face the need to nurture and consolidate the progress made in diversification and to enable major players in the global textile industry to move up the ladder towards higher value-added and technology-oriented content and make their performances sustainable.

E. Education and training

41. Net primary enrolment in least developed countries increased from 83 per cent in 2010 to 84 per cent in the period 2011-2013, though progress in completion rates of primary schooling was slow. An increasing number of children were enrolled in primary education, and gender parity at that level of education was achieved in some of the least developed countries.

42. The rate of enrolment in secondary education in the least developed countries increased moderately but was still low at 43 per cent, compared to 69 per cent in all developing countries. However, class sizes have decreased somewhat in both primary education, from 46 pupils per teacher in 2010 to 43 in the period 2011-2013, and secondary education, from 28 to 26 pupils per teacher. Factors hindering further progress included the limited qualifications of teachers and the inadequacy of classroom equipment.

F. Population and primary health

43. As a result of investments in health infrastructure and national health systems, improved nutrition and care for children and their mothers, increased access to reproductive health care and expanded immunization campaigns, progress was made in reducing child mortality rates in most of the least developed countries, though not at a rate sufficient to achieve the Millennium Development Goal target of a two-thirds reduction from 1990 levels. On average, mortality of children under the age of 5 in the least developed countries was still much higher than in other developing countries at 81 deaths per 1,000 live births in 2013. Bangladesh, Ethiopia and Liberia met the target and 14 other least developed countries reduced child mortality rates by 60 per cent or more.

44. Most least developed countries are not expected to meet the Millennium Development Goal target of a three-quarter reduction in maternal mortality rate from 1990 levels, although Bhutan, Equatorial Guinea and Nepal have already met

the target. Their progress is partly the result of large increases in the proportion of births attended by skilled health personnel in those countries.

45. The prevalence of HIV as a percentage of the population aged 15-49 in the least developed countries declined marginally from 2.0 per cent in 2010 to 1.9 per cent in 2013. Lesotho, Malawi, Mozambique and Zambia still had prevalence rates in excess of 10 per cent. Mortality rates due to AIDS declined, owing to greater access to antiretroviral drugs which were available to 58 per cent of the population in least developed countries in 2012. Cambodia exceeded 95 per cent coverage, while Rwanda and Zambia exceeded 80 per cent. Some progress was also made in reducing the number of malaria and tuberculosis cases, but with 192 and 231 new cases per 1,000 people in 2012, respectively, least developed countries still had some of the highest rates in the world.

G. Youth development

46. Least developed countries in general have a higher fertility rate, and therefore attach greater importance to youth employment. People under the age of 25 comprise 61 per cent of the population of least developed countries, which is one of the highest rates in the world.

47. The literacy rate among young persons aged 15-24 rose from 70 per cent in 2000-2009 to 77 per cent in 2010-2012, with female youth literacy converging with that of male youth. However, more literate youth were unemployed in 2013, with more than 10 per cent of the population aged 15-24 unemployed in 24 least developed countries.

48. Limited education, lack of working skills and high youth unemployment contributed in turn to considerable youth underemployment and low-income self-employment, often in the informal sector. Employment-to-population ratios for youth aged 15-24 were considerably and consistently lower than those for the population as a whole across the least developed countries.

H. Shelter

49. The shortfall of adequate housing in the least developed countries is partly the result of increased demand due to the rapid pace of population growth as well as the needs of refugees and internally displaced people in countries during and after conflict. It is also due to inadequate supply of affordable housing resulting from high construction costs, insufficient finance for housing and insecure land tenure rights.

50. The lack of adequate shelter is especially acute in urban areas. The high prevalence of slums is related to problems such as lack of access to improved drinking water and improved sanitation, insecure tenure, non-durable housing and overcrowding. Of the 25 countries where over 50 per cent of the urban population lives in slums, 19 were least developed countries. Three out of four people living in urban areas in the Central African Republic, Chad, Ethiopia, Madagascar, Mozambique and the Niger were slum dwellers.

51. One of the reasons for the problems experienced in unplanned urban areas is an insufficient allocation of space to streets. A recent study using geographic

information systems found that less than 15 per cent of land in many African cities, including in African least developed countries, is dedicated to streets, compared to the recommended 25-30 per cent necessary to allow for basic water and sanitation systems to be accommodated.³ The problem was even more severe in suburban areas, which often have less than 10 per cent of land allocated to streets, leading to widespread and unplanned urban settlements.

I. Water and sanitation

52. The proportion of people in least developed countries without access to safe drinking water decreased from 49.9 per cent in 1990 to 34.1 per cent in 2012, while the proportion of people without access to basic sanitation decreased from 80.9 per cent in 1990 to 63.9 per cent in 2012, meaning the least developed countries are unlikely to meet the Millennium Development Goal target of halving the 1990 proportion by 2015.

53. Access to improved drinking water in the least developed countries increased from 59.4 per cent in 2005 to 65.9 per cent in 2012, with Bhutan, Sao Tome and Principe and Tuvalu achieving near universal access. Large urban-rural differences persisted, however, with an access rate in 2012 of 83.7 per cent in the former, compared to only 58.7 per cent in the latter. By contrast, only a little over a third of the population in least developed countries had access to basic sanitation facilities in 2012, with 30.8 per cent in rural areas and 47.3 per cent in urban areas.

54. The uneven distribution of access to improved drinking water and basic sanitation has serious impacts on health, education and environmental outcomes. It also negatively impacts progress towards gender equality, given that women and girls often carry the burden of collecting water.

J. Gender equality and the empowerment of women

55. Over one third of the least developed countries have already met the target of gender parity in primary education, with 12 countries exceeding it in 2011-2012. The situation also improved in secondary education, with Bhutan, Bangladesh, Lesotho, Rwanda and Sao Tome and Principe all exceeding the parity target in 2011-2012. Parity in tertiary education, however, was still a challenge, with the percentage of female students rising only moderately from 36 per cent in 2009-2010 to 38 per cent in 2011-2012.

56. In spite of those gains, the specialized training of most female students and insufficient policies and practices affecting work and family implied that most women continue to work in the informal sector. In 2013, 10 least developed countries had employment-to-population ratios of less than 50 per cent for women. In addition, as in many other countries, the very limited access by women to productive assets such as land and capital and the persistence of violence against women and girls restrict the contribution of women to development.

57. The political representation of women, however, showed continuing signs of improvement, especially in parliaments. The percentage of women in parliaments

³ *Millennium Development Goals Report 2014* (United Nations publication, Sales No. E.14.I.10).

more than doubled from 9.2 per cent in 2001 to 21.3 per cent in 2014. Women hold a third or more of parliamentary seats in Angola, Mozambique, Rwanda, Senegal, Timor-Leste, Uganda and the United Republic of Tanzania. Of the nine countries that posted the greatest increase in women's representation in parliaments in 2013, two are least developed countries (Equatorial Guinea and Togo). Part of the progress was the result of legislated quotas for women's representation in national parliaments.

K. Social protection

58. Formal safety nets deployed by many least developed countries include schemes focusing on continued access to basic services, reducing income and consumption poverty and promoting household investments in human capital to decrease intergenerational poverty. Some cash or in-kind transfers are conditional on children's school attendance, such as the Education Sector Support Programme in Cambodia or the Nationwide Female Stipend Programme in Bangladesh. Nepal enacted several cash transfer programmes in the areas of pensions, child grants and single women's allowances.

59. Some least developed countries use income generation schemes for social protection, designed to provide cash or in-kind remuneration of workers through wage employment or to maintain public infrastructure such as roads, flood control barriers and conservation measures. Bangladesh and Ethiopia both used public work programmes to generate cash wages for workers, including the Rural Employment Opportunities for Public Assets programme in the former, and the Productive Safety Nets Programme in the latter.

L. Economic shocks

60. Many least developed countries have been increasingly economically vulnerable since 2010 owing to an increased magnitude of and further exposure to shocks coupled with a limited ability to withstand them. Declining commodity prices have caused export receipts and government revenues to decline and current-account and fiscal balances to deteriorate. In least developed countries with managed-float or fixed exchange rate regimes, part of the enlarged current-account balances were financed through drawing on foreign exchange reserves.

61. Furthermore, the ratio of total reserves to external debt increased, and debt service as a percentage of exports of goods and services has levelled off since the adoption of the Istanbul Programme of Action. Weakened macroeconomic buffers such as foreign exchange reserves have made the positions of least developed countries worse than before the global economic and financial crisis. With fiscal positions much weaker than in 2010, those countries are also less likely to mount effective fiscal stimuli in the event of major macroeconomic shocks.

62. Building resilience to shocks will be mostly achieved through promoting economic diversification and transformation in the medium term. In the short run, global countercyclical financing is essential. Significant progress in that regard since the global crisis has included considerable global reforms within international financial institutions leading to expanded countercyclical financing, and reform and renewal of related facilities. Concomitantly, regional and bilateral central bank

liquidity swaps have increased. However, most of the initiatives have targeted mostly middle-income countries compared to least developed countries or have bypassed least developed countries altogether. There is a need for designing additional and effective countercyclical financing and shock facilities for least developed countries and strengthening existing ones, although not at the cost of reduced long-term and concessional financing for productive capacity and infrastructure development.

M. Climate change and environmental sustainability

63. During the period 1980-2013, reports have come out that the least developed countries suffered 1.3 million climate-related deaths, accounting for 51 per cent of global casualties, although they are home to only 12 per cent of the world population.⁴ The situation has worsened in recent years, with deaths associated with climate-related disasters in the least developed countries comprising 67 per cent of the world total.

64. Virtually all least developed countries have designed national adaptation programmes of action through multi-stakeholder processes. By doing so, those countries also set priorities that required immediate action. Some of the least developed countries went further by formulating national low-carbon resilience plans and strategies.

65. The total resources pledged to the Least Developed Countries Fund, established to assist least developed countries in the preparation and implementation of national adaptation programmes of action, reached \$934.74 million in February 2015. So far the Least Developed Countries Fund has financed the preparation of 51 national adaptation programmes of action, of which 50 have been completed, and has approved the funding for 161 national adaptation implementation projects and for programmes in 49 least developed countries.⁵ However, available resources for new funding approvals are limited and least developed countries have not been able to completely implement national adaptation programmes of action as a result of inadequate funding and limited capacities. Tuvalu, for example, is currently implementing a national adaptation programme, but the process is hampered by capacity constraints and limited access to climate change financing.

66. Commitments pertaining to climate finance have yet to be fulfilled. Between 2011 and November 2013, less than \$4 billion was channelled to the least developed countries from developed countries to support their adaptation efforts, compared to the estimated global adaptation costs of between \$86 billion and \$109 billion required annually by 2015.

67. Deforestation is another environmental concern which has negative impacts on biodiversity and clean water and increases the erosion of soil and the release of carbon into the atmosphere. Forests are also economic assets, which when lost endanger the opportunities of livelihood in rural communities. The proportion of

⁴ David Cipler and others, "A burden to share? Addressing unequal climate impacts in the least developed countries", IIED Briefing Papers (International Institute for Environment and Development, November 2013).

⁵ Forty-nine out of 50 least developed countries that received financial support completed their national adaptation programmes of action, including Cabo Verde and Maldives, which graduated from the least developed countries category in 2007 and 2011, respectively, according to the secretariat of the United Nations Framework Convention on Climate Change.

land covered by forests in the least developed countries decreased from 28.2 per cent of total land area in 2000 to 26.3 per cent in 2012. Of the 47 least developed countries for which data were available, only Bhutan, the Gambia, Lesotho and Rwanda experienced significant afforestation or natural expansion of forests between 1990 and 2012.

N. Disaster risk reduction

68. The least developed countries continued to face a higher risk of significant losses as a result of disasters. They not only face extreme shocks but also are very much exposed to those shocks. Estimates from the *Global Assessment Report on Disaster Risk Reduction 2015* global model suggest, for example, that Madagascar and Mozambique would have difficulties in absorbing the impact of a 1 in 3-25-year loss (i.e., a disaster that has a chance of occurring once in 3 to 25 years), compared with Canada and the United States of America, which would only face challenges in absorbing the impact from a 1-in-500-year loss. In an agriculture-dominated country such as Malawi, a drought would cause an estimated annual loss equivalent to 1 per cent of GDP as well as result in an additional 2.1 million people falling below the poverty line.⁶

69. The nine least developed countries which are also small island developing States face an existential threat from natural disasters. Compared to Central Asia and Europe, the estimated annual loss of capital stock is 20 times higher for small island developing States. Estimated annual losses for small island developing States are also equivalent to nearly 20 per cent of their total social expenditures, compared with less than 1 per cent in Europe or Central Asia. The unprecedented floods that hit Solomon Islands in April 2014 damaged infrastructure, housing, water and sanitation facilities and agricultural output, causing economic loss equivalent to 4.7 per cent of GDP.⁷ Cyclone Pam, which struck Vanuatu in March 2015, has resulted in the destruction of up to 80 per cent of homes on Tanna island as well as a reduction in access to clean water, and is likely to cause a setback to the country's recent development gains. The earthquake that hit Nepal in April 2015 affected 8 million people, and its impact on agriculture-based livelihoods and food security is expected to be extremely high.

70. Important institutional changes relating to disaster reduction management took hold in many least developed countries, in particular with those countries paying growing attention to a holistic approach instead of merely an ex post disaster response. Of the 34 countries that reported integrating disaster risk reduction into their national development plans under the Hyogo Framework for Action 2005-2015: Building the Resilience of Nations and Communities to Disasters, eight were least developed countries (Burkina Faso, Ethiopia, the Lao People's Democratic Republic, Mauritania, Nepal, Solomon Islands, Vanuatu and Zambia).⁸ A follow-up framework was adopted at the Third United Nations World Conference on Disaster

⁶ United Nations, *Global Assessment Report on Disaster Risk Reduction 2015: Making Development Sustainable — The Future of Disaster Risk Management* (Geneva, 2015).

⁷ International Monetary Fund, *Solomon Islands*, IMF Country Report No. 14/170 (Washington, D.C., June 2014).

⁸ United Nations, *Progress and Challenges in Disaster Risk Reduction: A Contribution towards the Development of Policy Indicators for the Post-2015 Framework on Disaster Risk Reduction* (Geneva, 2014).

Risk Reduction, held in Sendai, Japan, from 14 to 18 March 2015. The Sendai Framework for Disaster Risk Reduction 2015-2030 addresses the disaster risk situation of localities and major vulnerable groups, as well as empowerment of persons with disabilities in planning for risk management and resilience. It calls for a multi-stakeholder approach and stronger and more coherent mechanisms to build resilience. It is critical that those recommendations be implemented.

71. Persistent challenges associated with disaster reduction management, as identified by the inter-agency secretariat of the International Strategy for Disaster Reduction, include limited financial and human resources; weak capacity at the local level, which undermines the implantation of land use plans and building codes; poor coordination between stakeholders and a lack of information-sharing on risk assessment, monitoring and evaluation, early warning, disaster response and other disaster risk management activities; and insufficient policy coordination on integrating climate change risks into disaster risk management strategies.

O. Domestic resource mobilization

72. The rate of domestic savings in least developed countries declined slightly from 21.4 per cent in 2012 to 19.9 per cent in 2013. That development largely mirrored declining domestic savings rates in the largest mineral- and oil-producing least developed countries, in particular Angola and Equatorial Guinea. Government savings, the main driver of domestic savings in those countries, were negatively affected by declining commodity prices, which translated into reduced income from production sharing agreements and weaker royalties and corporate income tax on oil and mining companies. The ratio of government revenue to GDP excluding grants increased, with half the least developed countries collecting at least 15 per cent of GDP as revenues in 2012 compared with 11 per cent in 2001.

73. Although domestic resource mobilization has improved, the current level stands far below the potential of the least developed countries. A good illustration of the room for manoeuvre that many least developed countries have in improving their tax collection is the level of their tax-to-GDP-potential, which captures a country's ability to raise taxes given its specific economic, social and institutional features. The difference between tax-to-GDP potential and actual tax-to-GDP stands at 7.5 percentage points in Bangladesh, 6.7 percentage points in Bhutan and 6.2 percentage points in Afghanistan.

74. Mobilizing additional domestic resources required to build productive capacity in least developed countries demands ongoing efforts towards improving tax administrations and systems in those countries. That entails introducing taxpayer services, modernizing information technology systems and strengthening the capacity of tax officers. Those institutional reforms should be complemented by efforts to expand the tax base, including through the rationalization of exemptions, tax holidays and transfer pricing practices and the simplification of tax systems and enhancement of compliance.

P. Official development assistance

75. After increasing in 2013, thanks to one-off debt relief for Myanmar, bilateral official development assistance (ODA) flows to the least developed countries

dropped sharply in 2014, reaching \$37.6 billion in real terms in a 15 per cent decline from 2013. Even excluding the debt relief for Myanmar, ODA flows to least developed countries in 2014 were still below the level reached in 2008, prior to the global and economic crisis.⁹

76. The growth in ODA flows in 2013 to the least developed countries reflected increased flows from Japan (86 per cent), the United Kingdom of Great Britain and Northern Ireland (33 per cent) and France (30 per cent), who are among the four largest Organization for Economic Cooperation and Development (OECD)/Development Assistance Committee donors. The number of countries that fulfil the lower bound of the United Nations target performance in channelling at least 0.15 per cent of gross national income to the least developed countries also improved, with Belgium, Denmark, Finland, Ireland, Luxemburg, the Netherlands, Norway, Sweden and the United Kingdom meeting the target in 2013, as opposed to seven countries in 2012.

77. Progress in the quality of aid consisted of multilateral aid, particularly from the World Bank, being increasingly targeted at building productive capacity, strengthening public financial management systems of recipients and ensuring that donors use those systems. Commitments on delivering untied aid, however, have yet to be fulfilled, with 13 per cent of ODA channelled to least developed countries in 2013 still subject to requirements regarding suppliers in donor countries. Further, challenges related to fragmentation and predictability of ODA to the least developed countries also persisted.

78. Looking forward, there are indications that the declining aid trends are likely to be reversed in coming years. A survey of donor countries' spending plans through 2018 suggests that country-programmable aid is likely to increase from 2015. That highlights the importance of stronger commitments by the global community to additional, enhanced, preferential, concessional and targeted aid to countries most in need, particularly the least developed countries.

Q. Debt

79. Having declined for several years, the debt burden of many least developed countries rose again in 2013, although marginally, as a by-product of moderate post-crisis growth, the accumulation of new debt and the near-completion of the enhanced Heavily Indebted Poor Countries Debt Initiative and the Multilateral Debt Relief Initiative. External debt stock as a percentage of gross national income increased from 26 per cent in 2012 to 27 per cent in 2013.

80. As at January 2015, 35 of the 39 countries eligible under the Heavily Indebted Poor Countries Debt Initiative, including 29 least developed countries, had already attained the completion point, when full debt relief is provided. Three least developed countries, Eritrea, Somalia and the Sudan, had yet to start the process of qualifying for debt relief, whereas Chad had reached only the decision point, during which interim debt relief is granted.

⁹ Country and sectoral breakdowns of ODA extended to least developed countries in 2014 are not yet available.

81. While the Heavily Indebted Poor Countries Debt Initiative and the Multilateral Debt Relief Initiative contributed to a large extent to the reduction in the debt burden of many least developed countries, those initiatives have not holistically addressed debt challenges facing that group of countries. Not all least developed countries are eligible for debt relief under the initiatives, while some of those that are face a real prospect of debt distress. Of the 14 countries that were at a high risk of debt distress as at January 2015, 12 are least developed countries and countries that recently graduated from the least developed country category. Of those 12 countries, 7 had already received debt relief through the enhanced Heavily Indebted Poor Countries Debt Initiative and the Multilateral Debt Relief Initiative.

82. Looking forward, the debt obligations of many least developed countries are likely to rise, with the countries increasingly reverting to non-concessional lending to finance infrastructure development. Those challenges, in addition to those which are inherent in previous debt relief initiatives, make the need for global sovereign restructuring mechanisms all the more important.

R. Foreign direct investment

83. The least developed countries continued to attract increasing FDI, with flows in 2013 of nearly \$28 billion, a 14 per cent increase from 2012. Although increasing, the share of least developed countries in global FDI was still marginal, at only 2 per cent.

84. FDI flows to the least developed countries in 2013 saw the share of extractive industries decline while services and manufacturing rose. Furthermore, the share of developing countries as a source of FDI flows to the least developed countries is rising, as transnational corporations from those countries often acquire assets sold by transnational corporations in developed economies and therefore increasingly account for a significant share of announced greenfield projects.

85. Those recent developments need to be consolidated and expanded to least developed countries and particularly directed towards creating opportunities for value addition in natural resource sectors and developing productive capacities in agriculture, manufacturing and services, and integrating those sectors into the global production, value chains and distribution networks. That can be achieved through extending risk assurance and guarantee schemes as well as tax incentives to firms seeking to invest in the least developed countries in the context of investment promotion regimes, establishing technical support mechanisms to assist least developed countries in negotiating complex large-scale contracts, improving access to advisory support in investment-related dispute resolution and supporting least developed countries in establishing FDI-friendly regulatory and legal frameworks.

S. Remittances

86. Migrant remittance inflows to the least developed countries grew to \$33.4 billion in 2013, a 3 per cent increase from 2012, compared with the double-digit annual growth rates sustained since 2011. Some of the reason for the deceleration of growth is the reduction in total flows remitted to Bangladesh, the largest recipient in the least developed countries, which declined by 2.7 per cent to \$13.9 billion in 2013, driven in part by the reduction of its stock of migrants abroad.

However, the decline was offset by rising flows in other major remittance-recipients such as Nepal (15.8 per cent) and Haiti (10.5 per cent).

87. The cost of remitting continues to be a challenge. In some of the corridors, particularly those from remittance-sending countries to African least developed countries, costs of remitting continue to be exorbitant, partly because of limited competition among service providers. The introduction of money transfer services has somewhat reduced the costs of remitting but is yet to be generalized in many countries. Such services also present challenges that relate, inter alia, to safety and reliability safeguards and limited literacy required for their use.

88. In general, remittances are increasingly a major source of development finance for many least developed countries, and are sometimes larger than FDI and ODA. The flows are the most stable component of receipts in the current account, acting as an important source of foreign exchange and a major cushioning parameter against potential balance-of-payment difficulties.

89. Scaling up the development impact of remittances requires sustaining the recent growth of those flows, including through reducing the cost of remitting; ensuring that a significant part of flows are channelled towards building productive capacities, including through financial literacy and targeted policy initiatives; and improving conditions under which workers migrate to and work in host countries.

T. Governance at all levels

90. Commitments to good governance, both political and economic, continued to be strong in the least developed countries. Despite a few temporary setbacks the majority of the group adhered to global governance standards and made important strides towards implementing those standards. One aspect of the above is the periodic holding of multipartite elections to select rulers. Eleven are planned in 2015.

91. Many least developed countries are also parties to the United Nations Convention against Corruption, signalling commitments to prevent corruption, criminalize certain conduct, strengthen international law enforcement and judicial cooperation and offer effective legal mechanisms for asset recovery, among others. As at April 2015, 30 least developed countries had ratified the convention and 11 others had accepted it. An increasing number of least developed countries have also subscribed to the principle of governments disclosing how much they receive and extractive companies making public how much they pay, which is the guiding rule underpinning the Extractive Industries Transparency Initiative. As at April 2015, 13 of the 32 Initiative-compliant countries were least developed countries. A year ago, 10 least developed countries were compliant. In addition, of the 13 candidate countries for the Initiative, 5 are least developed countries.

92. Many least developed countries have now established processes through which the voices of parliaments, private sector and civil society are heard in the context of formulation, implementation and monitoring of national development policies and plans. Progress also continued with regard to the political representation of women, in particular in parliaments, although much remains to be done to ensure gender parity in the executive branches. Many least developed countries have initiated reforms in public financial management and procurement systems.

93. Following the economic and financial crisis, the global economic, financial and monetary governance systems underwent significant transformation, with greater voice and representation for emerging countries and other middle-income countries in particular. Least developed countries, however, are still largely underrepresented. None of the 48 least developed countries are represented in the Basel Committee on Banking Supervision or in the Financial Stability Board of the Group of 20. As a result, their concerns and priorities remain largely silent in those forums. Furthermore, global standards set by those governing bodies are not always relevant to the least developed countries or within their near-term capacity to implement.

94. The proposed 2010 reforms of the International Monetary Fund (IMF) Executive Board and countries' quotas, even when they have entered into force, will not completely address the persistent erosion of the quota shares of least developed countries and will also not increase their voice and participation to a level that is commensurate to their demographic size and degree of engagement of IMF in the least developed countries.

IV. Engagement of stakeholders in the implementation of the Istanbul Programme of Action

A. Efforts by Member States to implement the Istanbul Programme of Action

95. Four years after the adoption of the Istanbul Programme of Action, implementation of the Programme is under way in most least developed countries. Initially, least developed countries aligned their national development strategies and plans with the Programme and then moved towards implementation, follow-up and monitoring of the Programme.

96. Progress made at the country level is discussed in an annual workshop for the national focal points of the least developed countries, organized by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. The national focal points meeting held in July 2014 provided an opportunity for least developed countries to present the progress made and challenges encountered in the implementation of the Istanbul Programme of Action. A large number of the least developed countries reported progress but also highlighted remaining challenges, and some elaborated on plans to graduate from the least developed country category.

97. In line with the principles agreed in Istanbul, the Lao People's Democratic Republic mainstreamed the objectives and priorities into its Seventh Five-year National Socioeconomic Development Plan (2011-2015) and is implementing it through annual national socioeconomic plans. Progress has been achieved in several areas, and, with regard to productive capacity, the Government has put emphasis on transport and rural electrification and the country is moving from landlocked to "land-linked", with 82 per cent of households having access to electricity. Similarly, following the direction of the Istanbul Programme of Action, the national growth and poverty reduction strategy of Mali aims at promoting economic growth and poverty eradication. To achieve increased production, Mali has emphasized the importance of infrastructure development, access to energy, agricultural development and improved access to industrial zones.

98. Lesotho is also addressing the priorities of the Istanbul Programme of Action through the implementation of its National Strategic Development Plan. The plan, which focuses on building productive capacity, aims to reap the benefits of sustained broad economic growth in the form of jobs, enhanced skills, improved health and poverty eradication. Zambia has implemented the Istanbul Programme of Action through its national development plan, which is its medium-term instrument to achieve its national vision of becoming a prosperous middle-income country by 2030. Zambia has also, and for the first time, developed a planning and budgeting policy, which guides further coordination between national development planning and budgeting processes.

99. The least developed countries have also encountered challenges in the implementation of the Istanbul Programme of Action, including unstable or deteriorating political and security situations and increased volatility in external assistance. Several least developed countries report the lack of access to energy as a major challenge for building productive capacities, including the Comoros, Madagascar and Mali. However, a number of least developed countries report new and ongoing projects addressing the energy access challenges and tapping into sources of renewable energy. For example, the Democratic Republic of the Congo has articulated a number of ongoing hydropower project initiatives and is considering solar and wind alternatives for energy production.

100. It is of concern that least developed countries have received lower flows out of an expanding volume of ODA. That has come in the wake of significant fluctuations of ODA flows to least developed countries in recent years. However, bucking the downward trend, several bilateral donors have kept a clear and explicit focus on least developed countries. A number of bilateral donors have a high share of least developed countries in their priority country lists, including Finland, France, Switzerland and the United Kingdom.

B. Progress on graduation

101. Significant progress has been achieved with respect to graduation from the least developed country category. In its 2015 review, the Committee for Development Policy recommended Angola for graduation. Kiribati also met the graduation criteria for the second time but was not recommended owing to uncertainties related to its extremely high economic vulnerability. Furthermore, Bhutan, Nepal, Sao Tome and Principe, Solomon Islands and Timor-Leste met the graduation criteria for the first time (see E/2015/33).

102. In addition, an encouraging number of least developed countries have announced their ambition to graduate from the least developed country category. Several countries began work towards graduation by developing graduation strategies with the support of their development partners. Bhutan, the Lao People's Democratic Republic and Nepal included clear timelines for graduation in their national development plans. The challenges and vulnerabilities imposed on some least developed countries, especially those that are also small island developing States, have an impact on their graduation plans. For example, Vanuatu began work towards graduation and established a committee on graduation and smooth transition. Nevertheless, Vanuatu has emphasized that the transition period is temporary and does not provide remedy to permanent challenges faced by a country prone to

earthquakes, tsunamis and cyclones, as was demonstrated in March 2015, when a cyclone hit the Pacific island State and caused severe and widespread damage.

103. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States led a joint United Nations mission with the United Nations Development Programme (UNDP), the Department of Economic and Social Affairs of the Secretariat, the United Nations Conference on Trade and Development (UNCTAD) and the Economic and Social Commission for Asia and the Pacific (ESCAP) to Myanmar in December 2014. The mission worked with the Government on preparing a graduation strategy through a coordinated United Nations approach. Myanmar has so far established a high-level committee on graduation headed by the Vice-President and specific subcommittees for each of the graduation criteria, and is also currently preparing a national comprehensive development plan aimed at aligning national priorities with the sectors that are key drivers for graduation. Finally, the Office of the High Representative and UNDP organized a ministerial meeting of the Asia-Pacific least developed countries on graduation and the post-2015 development agenda, held in Kathmandu from 16 to 18 December 2014.

C. Support by the United Nations system and regional and international organizations for least developed country priorities

104. The Office of the High Representative continued its work to raise international awareness and place the special development challenges of the least developed countries high on the global development cooperation agenda, including with the support of the Department of Public Information of the Secretariat. The Office of the High Representative focused its advocacy on reflecting those countries' needs and priorities in the formulation of the post-2015 development agenda and sustainable development goals. The Office of the High Representative organized several events dedicated to fostering partnerships between the least developed countries and development partners, especially the Group of Friends of Least Developed Countries, including three ministerial meetings, a consultative meeting and a large number of briefings and discussions among the least developed countries on financing for development and the post-2015 development agenda.

105. The analytical work of the Office of the High Representative on issues specific to least developed countries undergirded its second flagship report entitled "State of the Least Developed Countries, 2014" published in October 2014.¹⁰ The report focused on extreme poverty eradication in the least developed countries and the post-2015 development agenda.

106. United Nations regional commissions continued to pay special attention in their programming to the needs of least developed Member States. The Economic Commission for Africa (ECA) provided support for many African development initiatives such as infrastructure networks, including cross-border transportation, energy access, efficiency and clean technology and trade, financing and investment negotiations. ECA also provided technical assistance specific to least developed countries on graduation and smooth transition. The Office of the Special Adviser on

¹⁰ Available from <http://unohrrls.org/custom-content/uploads/2014/10/State-of-the-Least-Developed-Countries-Report-2014.pdf>.

Africa has coordinated United Nations system and international support for the implementation of the New Partnership for Africa's Development, strengthening the endeavours of African least developed countries towards inclusive economic growth and sustainable development.

107. ESCAP provided assistance specifically directed to several Asia-Pacific least developed countries that had indicated their ambition to graduate from the least developed countries category by or around 2020, including through a regional meeting on financing graduation gaps in Dhaka in October 2014, in collaboration with the Government of Bangladesh. The Economic Commission for Latin America and the Caribbean supported Haiti through a project on social protection and conditional cash transfers. In the Sudan and in Yemen, the Economic and Social Commission for Western Asia provided advisory services and capacity-building in the areas of human and social development, good governance, women's empowerment, climate change and environmental sustainability, and productive capacity focusing on energy and information and communications technology (ICT).

108. UNCTAD continued to assist least developed countries with trade, trade facilitation, investment and market access through its dedicated research and policy analysis, technical assistance and intergovernmental consensus-building activities. UNCTAD also started developing quantifiable indicators with a view to measuring and benchmarking economy-wide productive capacities in least developed countries. The UNCTAD report entitled *The Least Developed Countries Report 2014* examined linkages between structural transformation, economic growth and human development.¹¹

109. The WTO secretariat provided support to least developed countries by way of technical assistance and capacity-building activities, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries and the Standards and Trade Development Facility. In December 2014, the Enhanced Integrated Framework Steering Committee extended the programme into a second phase, set to start in 2016. The first phase results included increased private sector development and employment in some of the poorest beneficiary countries. Contributions to the Least Developed Countries Fund totalled \$201.4 million in 2014. Annual contributions dropped slightly from \$12.61 million in 2013 to \$10.45 million in 2014. In 2014, relevant WTO committees started to implement the least developed countries decisions adopted at the Ninth Ministerial Conference of the World Trade Organization, held in Bali, Indonesia, from 3 to 7 December 2013, on duty-free and quota-free market access, preferential rules of origin, the least developed countries services waiver and the development aspects of cotton.

110. The International Trade Centre continued to provide technical cooperation to least developed countries in export promotion and trade development through country-specific projects or multi-country and regional projects. In 2014, the Centre launched a project for strengthening the exporting capacities of Asian least developed countries to the Chinese market. Advisory services were delivered to private sector and Governments of least developed countries in the early stages of accession to WTO to raise awareness and build business support.

¹¹ United Nations publication, Sales No. E.14.II.D.7.

111. Based on its mandate to promote and accelerate inclusive and sustainable industrial development in developing countries and economies in transition, the United Nations Industrial Development Organization (UNIDO) supported the implementation of the Istanbul Programme of Action through the development of partnership country programmes in least developed countries, building trade and industrial capacity, policy support and statistics, income generating activities and the empowerment of communities, infrastructure development and renewable energy and the environment.

112. IMF continued to work with low-income countries, many of which are least developed countries, to help mitigate the impacts of the global financial crisis and to increase their resilience to future shocks by assisting them in rebuilding their policy buffers. It accomplished that through the reform of its own lending instruments and policies as well as the provision of technical assistance. The temporary interest relief through a zero interest rate policy on all outstanding concessional borrowing was extended from the end of 2014 to the end of 2016.

113. The overarching goal of the Istanbul Programme of Action coincides in substance with the two goals set by the World Bank Group in its new strategy adopted in 2014: lowering extreme poverty to 3 per cent by 2030 and promoting shared prosperity by fostering the income growth of the bottom 40 per cent in every country. In 2014, International Development Association commitments rose to a record \$22.2 billion from \$16.3 billion in the previous fiscal year.

114. The United Nations Capital Development Fund's overall approach to supporting least developed countries is framed by the Istanbul Programme of Action. The Capital Development Fund continued its work on two primary interconnected areas, financial inclusion and local development finance, as a way to promote inclusive growth in least developed countries and the mobilization of both private and public domestic resources, while using ODA as a key driver to leverage domestic savings and capital.

115. The International Telecommunication Union continued to implement actions to help least developed countries bridge their digital gap and leverage the power of ICT and broadband as a fundamental driver for development.

116. The United Nations Children's Fund (UNICEF) continued to provide focused attention and support to least developed countries on issues such as child mortality, malnutrition and stunting, humanitarian assistance and long-term development for vulnerable children. UNICEF also provided technical assistance on the expansion and strengthening of the monitoring process for improving service delivery to least developed countries. The United Nations Population Fund (UNFPA) worked on areas of maternal health and family planning through strengthening the national capacity of least developed countries to incorporate population issues in relevant national public policies, plans and expenditure frameworks. It also assisted least developed countries in reducing maternal mortality and in accessing affordable, life-saving family planning options. UNFPA was also heavily involved in the Ebola-affected least developed countries, assisting with contact-tracing activities and maintaining and restoring maternal health services.

117. The Joint United Nations Programme on HIV/AIDS (UNAIDS) delivers on 15 thematic areas, including, inter alia, prevention of sexual transmission of HIV; HIV treatment; prevention among people who inject drugs; punitive laws, stigma

and discrimination; HIV and education; and HIV-related social protection. The interventions of UNAIDS under the global plan for the elimination of new HIV infections among children and keeping their mothers alive led to a prevention rate of mother-to-child infection of 69 per cent in least developed countries in 2013 compared with 32 per cent in 2010, a remarkable sign of progress in curbing the epidemic in those countries.

118. The United Nations Environment Programme provided support to the least developed countries through building capacity and technology support services on several thematic areas of their programme of work, including climate change, disasters and conflict, environmental governance, resource efficiency and sustainable consumption and production.

119. UNDP assisted least developed countries in good governance, trade capacity and strategies, agriculture food security and rural development while also providing support on graduation and smooth transition through trade-related technical assistance, resource mobilization assistance and supporting development capacity actions. Furthermore, UNDP assisted least developed countries in the formulation and implementation of green, low-emission, climate-resilient strategies that allow more effective responses to emerging opportunities in the climate change finance landscape.

120. The main activities of the United Nations Educational, Scientific and Cultural Organization in least developed countries included promoting quality education, training and skills development, promoting gender equality and the empowerment of women and building productive capacities in energy and ICT, as well as in science, technology and innovation.

121. The United Nations Office on Drugs and Crime assisted least developed countries in fighting against corruption, transnational crime, illicit trafficking and the smuggling of immigrants and supported those countries with regard to criminal justice. It continued providing technical assistance and substantive secretariat services to advance the implementation of the United Nations Convention against Corruption.

D. Efforts by other stakeholders to implement the Istanbul Programme of Action

122. On South-South cooperation, a number of least developed countries have strengthened cooperation with Southern countries. Eritrea, for example, has implemented several development projects with China and other Southern partners. Mauritania has benefitted from the opening of foreign banks, originating from Southern countries, supporting the development of private sector activities.

123. South-South and triangular cooperation was discussed at the ministerial meeting on new partnerships for productive capacity-building in least developed countries, held in Cotonou, Benin, from 28 to 31 July 2014, where the South-South Technology Transfer Facility for least developed countries was launched. The joint initiative between the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the United Nations Office for South-South Cooperation aims to use the South-South Global Assets and Technology Exchange's global technology transfer

platform to bring targeted support to least developed countries and is designed to enable South-South transfer of viable, sector-specific technologies for developing and strengthening capacities and production in least developed countries. One of the first activities under that facility, hosted in Benin with UNDP support, was a memorandum of understanding signed between representatives of the Songhai Centre in Benin and Bio-green Investments East Africa in Uganda, representing a potential investment of over \$10 million.

124. Academia has remained very active in implementing the Istanbul Programme of Action. LDC IV Monitor, a group of think tanks and academic institutions from least developed countries and partner countries, launched a new publication entitled *Istanbul Programme of Action for the Least Developed Countries (2011-2020): Monitoring Deliverables, Tracking Progress — Synthesis Report* in October 2014.¹²

125. Furthermore, the high-level panel on the feasibility of a technology bank for least developed countries comprises mainly renowned academics from least developed countries and their development partner countries. The high-level panel met for the first time in February 2015 in Turkey to provide its guidance on a feasibility study on the establishment of the technology bank.

126. Civil society, and especially LDC Watch, has advocated for the implementation of the Istanbul Programme of Action on various fronts, including discussions on the post-2015 development agenda and financing for development. With the support of the International Institute for Environment and Development, a high-level least developed countries independent expert group on the post-2015 development agenda, chaired by the former Prime Minister of Haiti, Michèle Duvivier Pierre-Louis, has been convened to provide ideas and challenges that support a more ambitious, effective and fair global set of new goals for environmental sustainability and human development. The ONE campaign contributed to events that supported the efforts by least developed countries to frame their positions in the context of the post-2015 development agenda and financing for development.

127. The Office of the High Representative also actively engaged with private sector partners through the Sustainable Energy for All Advisory Board and the Broadband Commission for Digital Development. Access to sustainable energy and broadband connectivity constrain development across sectors. Those two essential ingredients to building productive capacity also require significant investment from and involvement by the private sector. By taking an active role in the Advisory Board and the Broadband Commission, the Office of the High Representative has advocated for the special challenges faced by the least developed countries.

128. The private sector was closely involved in the ministerial meeting on new partnerships for productive capacity-building in least developed countries, held in Cotonou, Benin, as well as in the ministerial meeting of the Asia-Pacific least developed countries on graduation and the post-2015 development agenda, held in Kathmandu from 16 to 18 December 2014. Through the platform of South-South Global Assets and Technology Exchange, a delegation of 115 private sector entities attended and contributed to deliberations at the ministerial meeting. The role of the private sector is also highlighted in the Cotonou Agenda for productive capacity-building in the least developed countries, which notes that a dynamic, broad-based, well-functioning and socially responsible private sector is a valuable instrument for

¹² Available from oecd.org/dev/LDC4_Synthesis_Report.pdf.

increasing investment and trade, employment and innovation, thereby generating economic growth and eradicating poverty and serving as an engine for industrialization and structural transformation.

E. Preparatory process for the comprehensive high-level midterm review of the Istanbul Programme of Action

129. In its resolution 69/231, the General Assembly decided to convene a comprehensive high-level midterm review of the implementation of the Istanbul Programme of Action in June 2016, in Antalya, Turkey, for a period of three days. Participation will be at the highest possible political level and be open to all stakeholders of the Istanbul Programme of Action. The General Assembly entrusted the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States with the mandate to ensure effective and efficient, broad-based preparations for the event.

130. The comprehensive high-level midterm review to be held in 2016 will assess progress made and constraints encountered in the implementation of the Istanbul Programme of Action by the least developed countries and their development partners and serve to reaffirm the global commitment and partnership for the development of least developed countries in order to ensure its timely and effective implementation during the remainder of the decade, while taking into account the post-2015 development agenda.

131. The intergovernmental process will entail preparations at national, regional and global levels. National reports of the least developed countries, undertaken in a broad-based and inclusive manner with the support of United Nations country teams, and two regional reviews are expected to shed light on key accomplishments and critical constraints in delivering the goals of the programme, with special emphasis on progress in building productive capacities and towards meeting the graduation criteria.

132. In collaboration with the Government of Cambodia, ESCAP organized the High-level Policy Dialogue on the Implementation of the Istanbul Programme of Action for the Least Developed Countries, held in Siem Reap, Cambodia, in March 2015, during which policymakers, experts and development partners discussed progress in and challenges to the implementation of the Istanbul Programme of Action in the region. The meeting underscored that graduating from the least developed country category was not simply about "checking the boxes" of the graduation criteria, but about promoting sustainable and inclusive growth to improve the livelihoods of the 300 million people living in the Asia-Pacific least developed countries. The participants called on all stakeholders to deliver on the commitments made in Istanbul. The Siem Reap outcome document is to be considered by the seventy-first session of the ESCAP Commission at the end of May 2015 and form an input for the comprehensive high-level midterm review to be held in 2016.

133. ECA, in collaboration with the Office of the High Representative, organized the biennial review of the implementation of the Istanbul Programme of Action in Africa. The review reported that African least developed countries had made mixed progress towards achieving the goals and targets of the Programme of Action and continued to be confronted with multiple and complex development challenges, and called for further efforts from those countries and their development partners. The

review welcomed the offer of the Government of Italy to host a ministerial meeting of African least developed countries on structural transformation, graduation and the post-2015 development agenda, to be held in Milan, Italy, from 8 to 10 June 2015, and requested ECA, in collaboration with the Office of the High Representative, to convene a full-fledged expert-level regional midterm review on the implementation of the Istanbul Programme of Action prior to the ministerial meeting so as to ensure that the outcome of that expert-level regional midterm review would feed into the ministerial meeting of African least developed countries. The expert-level regional midterm review was convened in May 2015 in Algiers.

134. The Office of the High Representative has fully mobilized United Nations system involvement in the preparatory process through the existing Inter-Agency Consultative Group for Least Developed Countries. Inter-Agency Consultative Group partners undertook to prepare sectoral appraisals and organize pre-conference events in their respective fields of competence as further inputs to the comprehensive high-level midterm review to be held in 2016. Furthermore, the Secretary-General was invited to convene a United Nations system high-level event during the comprehensive high-level midterm review with a view to renewing its commitment to provide coordinated and timely support to the implementation of the Istanbul Programme of Action and the outcome of the review. In that regard, the Office of the High Representative made progress in the preparation of a toolkit for mainstreaming the Programme of Action into the work of United Nations system organizations for consideration by the Inter-Agency Consultative Group at its fall 2015 session and for endorsement at the United Nations system high-level event mentioned above.

135. All stakeholders of the Istanbul Programme of Action are invited and able to effectively participate in and contribute to the preparatory process as well as the comprehensive high-level midterm review itself. A multi-stakeholder special event is to take place under the aegis of the President of the General Assembly in early 2016 with the participation of Member States, non-governmental organizations, civil society, the private sector and academic institutions to provide input to the comprehensive high-level midterm review. In recognition of the key importance of strong private sector involvement in the development of least developed countries, a private sector forum on investment opportunities in least developed countries will also be organized during the comprehensive high-level midterm review.

V. Conclusions and recommendations

136. The implementation of the Istanbul Programme of Action, now in its fourth year, has seen continued progress by the least developed countries towards meeting the Programme's goals and targets. Nonetheless, poverty is still widespread in many least developed countries, with 46 per cent of their population living in extreme poverty.¹³ Though they have made substantial gains, many least developed countries are not likely to reach the Millennium Development Goals or the targets included in the Programme of Action in a timely manner. Increased efforts and concrete actions in the eight priority areas of the Programme need to be taken by both the least developed countries and their development partners in order to achieve the goals and targets agreed in Istanbul, Turkey, by the end of the decade.

¹³ The figure is based on the latest data available for each country.

137. Yet, there are important areas of progress that give hope to realizing key objectives of the Istanbul Programme of Action, including the reduction of poverty and hunger, rebounding growth, fledgling structural transformation and a number of countries graduating or in the process of graduation. Equally important is that an increasing number of least developed countries have declared intent to graduate, showing their commitment to the overarching objective of the Istanbul Programme of Action. New initiatives such as the technology bank and an investment promotion regime for least developed countries signify continued support by the international community in favour of least developed countries. Those developments augur well for a strengthened partnership for least developed countries at the comprehensive high-level midterm review of the Istanbul Programme of Action to be held in Antalya, Turkey, in June 2016, as called for in General Assembly resolution 69/231.

138. Looking towards the comprehensive high-level midterm review of the Istanbul Programme of Action, actions in some key areas would help put least developed countries on a path of stronger growth and sustainable development. For example, progress in building productive capacity in the least developed countries is critical to achieving the other seven priorities of the Istanbul Programme of Action. Overall growth in the least developed countries slowed somewhat but is expected to increase in the coming years with stronger delivery on commitments by least developed countries and their development partners. The structural transformation of the least developed countries, however, was fledgling and insufficient, and investment rates, which are low but improving, need to be further accelerated and sustained over a long period of time.

139. Progress was made in infrastructure areas such as improving access of the population in least developed countries to mobile/cellular telephone services, improving road networks and conditions, increasing the volume of air transport and enhancing shipping connectivity. Enrolment in primary and secondary education also increased, while child and maternal mortality continued to decrease. Further national and global efforts are needed to sustain and accelerate the pace of those improvements.

140. Government revenues in the least developed countries have been rising slowly in proportion to GDP, but remain far behind levels in other developing countries. The capacity of the least developed countries to efficiently collect taxes, broaden their tax bases, reduce the flow of illicit capital and administer customs needs to be strengthened through financial and technical support. Those efforts could also contribute to the continuing success of several least developed countries that are among the leading countries in easing obstacles to business creation and operation.

141. Challenges to the progress of least developed countries remain, with some new and increasing risks and uncertainties threatening their development gains. External shocks such as natural disasters, the slow onset of disasters caused by climate change and the spread of infectious diseases can wreak havoc on vulnerable economies and contribute to destabilizing their social, political and security situations. The Ebola crisis has highlighted the importance of ensuring health security in least developed countries. The recent sharp drop in ODA to the least developed countries is a cause for concern, and while its level is expected to stabilize by 2017, there is a trend of stagnation in assistance to heavily aid-dependent countries. However, several Development Assistance Committee members also increased their ODA to least developed countries in spite of national economic constraints. The least developed

countries should be given more priority in the allocation of aid and other resources with enhanced quality and concessionality, as set out in the commitments agreed on in the Istanbul Programme of Action.

142. The least developed countries and their development partners have undertaken several new initiatives in infrastructure, energy, private sector development, youth employment and resilience to shocks. Those are critical elements to strengthen productive capacity and reduce vulnerability, and need to be expanded and scaled up across the least developed countries. Capacity-building for collecting and processing timely and accurate data is crucial in that respect as well as in strengthening mutual and national accountability. It is especially critical in areas where the Istanbul Programme of Action overlaps with the sustainable development goals, for which the least developed countries will need enhanced statistical capacity to monitor progress.

143. The least developed countries continued to increase their volume of exports, though trade deficits grew as well and the share of least developed countries in world trade remains marginal. Improving productive capacity is key to diversifying exports towards non-primary goods and high value-added services. Developing countries have played an increasingly important role as destinations for exports from the least developed countries. More progress is needed in granting duty-free and quota-free market access to the least developed countries. While average tariffs on exports from least developed countries declined significantly, their margin of preference compared to other developing countries has shrunk, especially for manufactured goods exports. Further assistance is also needed to reduce trade costs by strengthening inland transportation infrastructure in order to increase the competitiveness of exports and reduce the cost of imports in the least developed countries. Furthermore, the services waiver for least developed countries needs to be implemented expeditiously.

144. The Ebola crisis, which mainly affected three West African least developed countries, as well as the devastation cyclone Pam caused in least developed countries in the Pacific, brought attention to the still very high vulnerabilities of least developed countries. In that context, the Sendai Framework for Disaster Risk Reduction 2015-2030 needs to be implemented with a special focus on least developed countries. The Framework calls for enhancing the capacity of least developed countries and the provision of support, including through finance, technology transfer and capacity-building from developed countries and partners tailored to their needs and priorities, as identified by them.

145. The high vulnerability of least developed countries to climate change also needs to be addressed in that context. There is urgent need to initiate and consolidate targeted measures to enhance financial support for adaptation and mitigation in least developed countries, which should be additional to ODA and compensate for the additional costs and loss of income least developed countries face owing to climate change or mitigation measures in other countries. Furthermore, an enhanced level of capacity-building and technological support will play an important role in building resilience in least developed countries.

146. In addition to important aspects of the implementation of the Istanbul Programme of Action has been the remarkable 14 per cent increase in FDI inflows to the least developed countries between 2012 and 2013. While the flows were still marginal as a proportion of global FDI, the composition of investment flows has been increasingly oriented towards manufacturing and services rather than

extractive industries. Furthermore, the share of developing countries as the source of investment flows to the least developed countries is increasing. Those trends need to be strengthened, scaled up and directed to where they could contribute most to developing productive capacity and integrating the least developed countries into global production and value-chains and distribution networks. Supporting measures would include development partners extending risk assurance, guarantee schemes and tax incentives to firms investing in the least developed countries, as well as establishing an international investment support mechanism to assist the least developed countries in negotiating contracts, resolving investment-related disputes and establishing FDI-friendly regulatory and legal frameworks in a comprehensive manner with targeted initiatives.

147. The high-level panel on the technology bank met in early 2015 and is preparing a feasibility study for the establishment of a technology bank and a science, technology and innovation supporting mechanism dedicated to the least developed countries. It is crucial that that institution be operationalized as soon as possible, since it is critical to the implementation of the Istanbul Programme of Action, especially given its potential to increase productive capacity, structural transformation, poverty reduction and sustainable development.

148. South-South and triangular cooperation was also strengthened through a ministerial meeting held in Cotonou, Benin, in 2014. Many least developed countries also increased their cooperation with Southern countries. Those relationships need to be deepened and scaled up, using a more institutionalized approach to collaboration. Specifically, deploying financing from all sources, including innovative sources, would have a positive impact on the implementation of the Istanbul Programme of Action.

149. The Istanbul Programme of Action should be fully taken into account in setting up the post-2015 development agenda and sustainable development goals, as it has clearly prioritized the three pillars of sustainable development and poverty eradication in least developed countries. Furthermore, as it is based on mutual accountability as well as on a holistic and transformative approach to development, increased coherence could contribute greatly to putting least developed countries on the path towards inclusive and sustainable development. Means of implementation are key to attaining all of the development goals and a multi-stakeholder approach would be critical. Least developed countries should be given due priority in the allocation of ODA in view of their larger dependence, but trade, investment, debt and technology- and capacity-building should also be directed towards those countries to get them out of persistent poverty and alleviate structural constraints.

150. In view of the multiple and persistent vulnerabilities of least developed countries, their views, concerns and expectations should be duly reflected in all the global processes, including financing for sustainable development, the post-2015 development agenda, the United Nations Framework Convention on Climate Change and the Tenth Ministerial Conference of the World Trade Organization, to be held in Nairobi in December 2015, among others. At the bottom of the development ladder and holding great potential, least developed countries deserve special priority in all the global development programmes.

151. Continued efforts by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States to support and advocate for the least developed countries are

essential for raising international awareness and reflecting the needs and priorities of the least developed countries in the post-2015 development agenda and sustainable development goals. With financial support from several development partners, the Office of the High Representative organized several ministerial and consultative meetings, as well as many briefings and discussions among the least developed countries themselves on financing for development and the post-2015 development agenda. The second flagship report of the Office of the High Representative, entitled "State of the Least Developed Countries, 2014", focused on the eradication of extreme poverty in the least developed countries and the post-2015 development agenda. Continued efforts are dedicated to organizing annual workshops for the national focal points of the least developed countries, with a special focus on preparing for the midterm review of the implementation of the Istanbul Programme of Action in 2016, and its integration with the post-2015 development agenda.

152. The United Nations system as well as several regional and international organizations strengthened their support of the least developed countries and their specific needs through the numerous activities noted above. The Office of the High Representative has also mobilized the United Nations system through the Inter-Agency Consultative Group for Least Developed Countries, whose members will prepare sectoral appraisals and organize thematic events as further inputs to the comprehensive high-level midterm review. The Office of the High Representative has also made progress in the preparation of a toolkit for mainstreaming the Istanbul Programme of Action into the work of United Nations system organizations.

153. In addition to the overall progress achieved towards graduation from the least developed country category, several countries met the graduation criteria for the first time and one was recommended for graduation. Even more encouragingly, an increasing number of least developed countries have expressed their ambition to graduate and have begun work with their development partners on developing graduation strategies, including set timelines. Further support on graduation and smooth transition is needed from the Office of the High Representative, development partners from both North and South and the United Nations system, including through technical assistance and capacity development for resource mobilization, in order to continue and accelerate the effective implementation of the Istanbul Programme of Action.

154. The comprehensive high-level midterm review of the implementation of the Istanbul Programme of Action to be held in 2016 is a unique opportunity to engage all stakeholders in a thorough assessment of progress made and lessons learned in the implementation of the Programme by the least developed countries and their development partners. It should also reaffirm the commitments to and strengthen the partnerships for implementation, including an evaluation of the way forward in the remaining five years, as well as ensure coherence between the priorities of the least developed countries and the post-2015 development agenda. National, regional and global perspectives need to feed into the review process with a clear focus on building productive capacity in a holistic manner and making progress towards poverty eradication, structural transformation and sustainable development.

Annex

Data

1. The indicators contained in the present annex were calculated by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States using the latest information available from official, published sources, which are cited with each table. Owing to differences in methodology, the aggregates published here may differ somewhat from other published sources.
2. Aggregates are weighted as appropriate, treating all countries in the group as if they were one country, with the exception of the Liner shipping connectivity index (table 2), in which simple averages are shown. In cases where data for a particular country are unavailable for one or more of the time periods shown, data for that country have been omitted from the aggregates for that indicator.
3. Years separated by a hyphen, such as 2001-2010, indicate data based on averages in the period shown, unless otherwise indicated in the notes to the tables. Years separated by a slash, such as 2009/2010, indicate that data are shown for the most recent year available in the period.
4. A more detailed dataset with figures for individual countries is available at <http://unohrlls.org/about-ldcs/indicators-and-statistics/>.

Table 1
Economic growth and poverty

	Annual growth rate of gross domestic product (in constant United States dollars, percentage)							Percentage of population below international poverty line
	2009	2010	2011	2012	2013	2014	2015	2001-2013
African least developed countries	4.6	5.6	3.7	2.9	5.2	4.8	5.8	51.7
Asian and Pacific least developed countries	6.8	7.0	3.4	6.5	5.9	5.6	6.0	40.0
All least developed countries	5.4	6.1	3.6	4.2	5.4	5.1	5.9	49.9

Source: United Nations Statistics Division (<http://unstats.un.org/unsd/databases.htm>); World Bank, Development Research Group (<http://research.worldbank.org/PovcalNet/index.htm>); United Nations Department of Economic and Social Affairs; International Monetary Fund.

Note: Figures for the proportion of the population below the poverty line are averages of all available observations between 2001 and 2013.

Table 2
Productive capacity

	African least developed countries		Asian and Pacific least developed countries		All least developed countries	
	2001-2010	2011-2013	2001-2010	2011-2013	2001-2010	2011-2013
<i>Value-added share of manufacturing, agriculture and services</i>						
Value-added share of manufacturing (percentage of gross domestic product)	8.4	7.5	13.7	14.0	10.3	9.6
Value-added share of agriculture (percentage of gross domestic product)	26.4	22.6	21.9	20.5	24.7	21.9
Value-added share of services (percentage of gross domestic product)	41.9	40.2	50.6	52.9	44.6	44.1
Gross capital formation (percentage of gross domestic product)	22.3	23.0	24.4	27.6	23.0	24.4
Internet and mobile cellular subscriptions						
	2010	2013	2010	2013	2010	2013
Internet users (per 100 people)	4.6	6.7	4.1	7.3	4.4	7.0
Mobile-cellular subscriptions (per 100 people)	31.3	50.5	37.8	66.1	33.8	56.2
Connectivity						
	2010	2013	2010	2013	2010	2014
Air transport, freight (million ton-km)	1.2	1.9	0.9	0.8	1.1	1.5
Air transport, passengers carried (per 1,000 people)	18.0	23.9	29.4	32.4	22.0	26.8
Liner shipping connectivity index	7.5	9.6	5.8	7.8	7.1	9.0
Energy						
	2000	2010	2000	2010	2000	2010
Access to electricity (percentage of population)	13.1	19.1	39.1	52.9	23.6	31.5
Urban	43.9	53.8	85.3	87.8	60.2	66.1
Rural	2.4	5.4	21.3	39.8	10.0	18.0
Share of renewable capacity in total capacity (percentage)	74.9	70.9	29.1	36.5	57.0	55.1
Change in total installed generation capacity per capita, 2000-2010		17.9		70.3		30.1
Scientific and technical journal articles						
	2001-2010	2011	2001-2010	2011	2001-2010	2011
Articles per 1,000,000 people	1.8	2.0	1.2	1.5	1.5	1.8

Source: World Bank national accounts data (<http://databank.worldbank.org/data/home.aspx>); United Nations Statistics Division (<http://unstats.un.org/unsd/databases.htm>); International Telecommunication Union, World Telecommunication/ICT Development Report and database, and World Bank estimates; World Development Indicators (<http://databank.worldbank.org>); United Nations Conference on Trade and Development, Review of Maritime Transport 2010; Sustainable Energy for All Global Tracking Framework (<http://www.se4all.org/tracking-progress>).

Table 3
Agriculture, food security and rural development

	African least developed countries		Asian and Pacific least developed countries		All least developed countries	
	2000/2008	2009/2013	2000/2008	2009/2013	2000/2008	2009/2013
Malnutrition prevalence (percentage of children under 5)						
Weight for age (underweight)	26.1	23.0	38.4	32.9	29.7	25.5
Height for age (stunting)	44.5	39.7	45.0	41.1	44.5	39.9

	<i>African least developed countries</i>		<i>Asian and Pacific least developed countries</i>		<i>All least developed countries</i>	
	2000/2008	2009/2013	2000/2008	2009/2013	2000/2008	2009/2013
Weight for height (wasting)	10.8	9.5	14.9	13.2	12.0	10.4
	2006/2011		2006/2011		2006/2011	
Agricultural irrigated land (percentage of total agricultural land)		0.6		15.8		3.3
	2001-2010	2011-2013	2001-2010	2011-2013	2001-2010	2011-2013
Value-added share of agriculture, percentage difference	-0.8	-0.3	-0.3	-0.5	-0.6	-0.4

Source: World Health Organization, Global Database on Child Growth and Malnutrition (<http://www.who.int/nutgrowthdb/en>); Food and Agriculture Organization of the United Nations (<http://www.fao.org/statistics/en>); World Bank national accounts data (<http://databank.worldbank.org/data/home.aspx>).

Note: The aggregate for agricultural irrigated land (percentage of total agricultural land) reflects the median.

Table 4
Trade and commodities

	<i>Percentage of exports in world total exports</i>				<i>Exports of primary commodities, percentage of total exports</i>			
	2001	2005	2010	2013	2001	2005	2010	2013
African least developed countries	0.3395	0.5509	0.7629	0.7979	90	93	94	93
Asian and Pacific least developed countries	0.2363	0.2287	0.2943	0.3376	39	44	43	40
All least developed countries	0.5802	0.7841	1.0610	1.1402	69	78	79	77

Source: United Nations Conference on Trade and Development (<http://unctadstat.unctad.org>).

Table 5
Human development

	<i>African least developed countries</i>		<i>Asian and Pacific least developed countries</i>		<i>All least developed countries</i>	
	2010	2011/2013	2010	2011/2013	2010	2011/2013
<i>Education and training</i>						
Net enrolment in primary education (percentage)	82	83	88	92	83	84
Pupil/teacher ratio in primary education	49	45	34	33	46	43
Gross enrolment in secondary education (percentage)	32	34	51	55	40	43
Pupil/teacher ratio in secondary education	27	23	29	28	28	26
Gross enrolment in tertiary education (percentage) 2010 and 2011-2013	6	6	13	13	7	8
<i>Population and primary health</i>						
	2005	Most recent ^a	2005	Most recent ^a	2005	Most recent ^a
Under-5 mortality rate (deaths per 1,000 live births)	129	89	75	52	114	81

	African least developed countries		Asian and Pacific least developed countries		All least developed countries	
	2010	2011/2013	2010	2011/2013	2010	2011/2013
<i>Education and training</i>						
Infant mortality rate (deaths per 1,000 live births)	80	60	56	41	73	55
Maternal mortality rate (deaths per 100,000 births)	612	494	375	269	543	433
Contraceptive prevalence (percentage of women aged 15-49)		20		47		31
HIV prevalence (percentage of population aged 15-49)	3.7	3.0	0.3	0.2	2.3	1.9
Youth development	<i>2000-2009</i>	<i>2010-2012</i>	<i>2000-2009</i>	<i>2010-2012</i>	<i>2000-2009</i>	<i>2010-2012</i>
Youth literacy (percentage of population aged 15-24)	67	70	72	84	70	77
Female literacy (percentage of female population aged 15-24)	61	65	70	85	66	76
Shelter, water and sanitation	<i>2005</i>	<i>2012</i>	<i>2005</i>	<i>2012</i>	<i>2005</i>	<i>2012</i>
Percentage of population using an improved drinking water source	51	58	72	80	59	66
Urban	78	82	83	87	80	84
Rural	42	48	69	77	52	59
Percentage of population using an improved sanitation facility	21	25	47	55	31	36
Urban	35	38	60	65	44	47
Rural	16	20	43	51	26	31
Gender equality and empowerment of women	<i>2001</i>	<i>2014</i>	<i>2001</i>	<i>2014</i>	<i>2001</i>	<i>2014</i>
Percentage of parliamentary seats held by women	10	24	7	16	9	19
	<i>2009-2010</i>	<i>2011-2012</i>	<i>2009-2010</i>	<i>2011-2012</i>	<i>2009-2010</i>	<i>2011-2012</i>
Percentage of female students in primary education	48	48	48	48	48	48
Percentage of female students in secondary education	42	44	47	48	45	46
Percentage of female students in tertiary education	37	37	36	39	36	38

Source: United Nations Educational, Scientific and Cultural Organization Institute for Statistics (<http://www.uis.unesco.org>); Inter-agency Group for Child Mortality Estimation (<http://www.childmortality.org>); Maternal Mortality Estimation Inter-agency Group (<http://www.maternalmortalitydata.org>); World Development Indicators (<http://databank.worldbank.org>); Joint United Nations Programme on HIV/AIDS estimates (<http://www.unaids.org/en/dataanalysis/datatools/aidsinfo>); World Health Organization/United Nations Children's Fund Joint Monitoring Programme for Water Supply and Sanitation (<http://www.wssinfo.org>); Inter-Parliamentary Union (www.ipu.org).

^a Most recent figures for under-5 mortality, infant mortality and HIV prevalence are dated 2013. Figures for maternal mortality are dated 2010. Contraceptive prevalence figures are an average of reported data from 2001-2012.

Table 6
Multiple crises and emerging challenges

<i>Debt</i>	<i>African least developed countries</i>		<i>Asian and Pacific least developed countries</i>		<i>All least developed countries</i>	
	2010	2011-2013	2010	2011-2013	2010	2011-2013
Total reserves (percentage of external debt)	47.6	54.5	66.5	68.4	55.1	60.1
Total debt service (percentage of exports of goods, services and income)	3.9	4.6	3.5	3.8	3.8	4.3
Total debt service (percentage of government expenditure) ^a	9.7	11.4	17.0	18.8	11.4	12.8
Deforestation	1990	2012	1990	2012	1990	2012
Forest area (percentage of land area)	32.9	26.2	32.3	26.9	32.8	26.3
Percentage change 1990-2012		-20		-17		-20

Source: International Monetary Fund, International Financial Statistics and data files (<http://www.imf.org/external/data.htm>); World Bank, International Debt Statistics (<http://databank.worldbank.org>).

^a The figures for total debt service during the period 2011-2013 reflect the last available data from within that period.

Table 7
Mobilizing financial resources for development and capacity-building

	<i>Gross domestic savings (percentage of gross domestic product)</i>			<i>Government revenue, excluding grants (percentage of gross domestic product)</i>		
	2001-2010	2012	2013	2001-2010	2011	2012
African least developed countries	19.4	23.0	20.6	15.6	17.3	17.2
Asian and Pacific least developed countries	17.6	19.1	19.3	11.8	14.9	16.0
All least developed countries	18.6	21.4	19.9	13.9	16.3	16.6

Source: World Bank national accounts data (<http://databank.worldbank.org>); International Monetary Fund, Government Finance Statistics Yearbook and data files (<http://www.imf.org/external/data.htm>).

Note: Aggregate figures for the Government revenue, excluding grants (percentage of gross domestic product) reflect the median.

Table 8
External debt and debt forgiveness

	External debt stock (percentage of gross national income)		External debt stock, percentage point difference	Debt forgiveness or reduction, cumulative since 2003 (percentage of gross domestic product)
	2012	2013	2012-2013	2003-2013
African least developed countries	28	30	2	-14
Asian and Pacific least developed countries	24	24	-1	-2
All least developed countries	26	28	1	-10

Source: World Bank, International Debt Statistics (<http://databank.worldbank.org>).

Table 9
Aid from Organization for Economic Cooperation and Development Assistance Committee countries to least developed countries

	Net disbursements								
	2002-2003			2012			2013		
	US dollars (millions)	Percentage of donor's total	Percentage of donor's gross national income	US dollars (millions)	Percentage of donor's total	Percentage of donor's gross national income	US dollars (millions)	Percentage of donor's total	Percentage of donor's gross national income
Australia	272	25	0.06	1 639	30	0.11	1 337	28	0.09
Austria	175	34	0.08	244	22	0.06	342	29	0.08
Belgium	737	50	0.27	704	30	0.14	813	35	0.16
Canada	564	28	0.07	1 945	34	0.11	1 849	37	0.10
Czech Republic	9	14	0.01	59	27	0.03	52	25	0.03
Denmark	636	37	0.34	1 004	37	0.31	926	32	0.27
Finland	176	34	0.12	445	34	0.18	510	35	0.19
France	2 463	39	0.15	2 533	21	0.10	3 448	30	0.12
Germany	2 025	33	0.09	3 678	28	0.11	3 368	24	0.09
Greece	57	18	0.04	50	15	0.02	45	19	0.02
Iceland	5	31	0.05	12	45	0.10	16	46	0.12
Ireland	253	56	0.22	418	52	0.24	426	50	0.23
Italy	1 169	49	0.09	701	26	0.04	958	28	0.05
Japan	2 096	23	0.05	4 640	44	0.08	7 006	60	0.14
Korea	93	29	0.02	579	36	0.05	712	41	0.05
Luxembourg	57	34	0.28	146	37	0.37	163	38	0.38
Netherlands	1 323	36	0.29	1 166	21	0.15	1 366	25	0.17
New Zealand	41	28	0.06	144	32	0.09	148	32	0.09
Norway	759	41	0.37	1 382	29	0.27	1 540	28	0.30
Poland	4	17	0.00	78	18	0.02	125	26	0.03

	<i>Net disbursements</i>								
	<i>2002-2003</i>			<i>2012</i>			<i>2013</i>		
	<i>US dollars (millions)</i>	<i>Percentage of donor's total</i>	<i>Percentage of donor's gross national income</i>	<i>US dollars (millions)</i>	<i>Percentage of donor's total</i>	<i>Percentage of donor's gross national income</i>	<i>US dollars (millions)</i>	<i>Percentage of donor's total</i>	<i>Percentage of donor's gross national income</i>
Portugal	179	56	0.14	177	30	0.09	143	29	0.07
Slovak Republic	3	24	0.01	15	19	0.02	21	24	0.02
Slovenia	0	—	—	10	17	0.02	11	18	0.02
Spain	388	21	0.05	483	24	0.04	449	19	0.03
Sweden	749	34	0.28	1 542	29	0.29	1 805	31	0.31
Switzerland	340	30	0.10	710	23	0.11	828	26	0.12
United Kingdom	1 855	33	0.11	4 615	33	0.19	6 203	35	0.24
United States	3 878	26	0.04	11 419	37	0.07	10 221	33	0.06
Total	20 303	32	0.07	40 537	32	0.09	44 830	33	0.10

Source: Organization for Economic Cooperation and Development aid statistics (<http://www.oecd.org/dac/stats/>).

Note: Includes imputed multilateral flows, i.e., making allowance for contributions through multilateral organizations, calculated using the geographical distribution of multilateral disbursements for the year of reference.



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Item 70 (b) of the preliminary list*

Rights of indigenous peoples: follow-up to the outcome document of the high-level plenary meeting of the General Assembly known as the World Conference on Indigenous Peoples

Economic and Social Council**2015 session**

Agenda item 19 (h)

**Social and human rights questions:
Permanent Forum on Indigenous Issues**

Progress made in the implementation of the outcome document of the high-level plenary meeting of the General Assembly known as the World Conference on Indigenous Peoples

Report of the Secretary-General

Summary

The present report provides an overview of the implementation of the outcome document of the high-level plenary meeting of the General Assembly known as the World Conference on Indigenous Peoples, held in September 2014 (General Assembly resolution 69/2); an update on the development of a system-wide action plan to ensure a coherent approach to achieving the ends of the United Nations Declaration on the Rights of Indigenous Peoples; recommendations on how to use, modify and improve existing United Nations mechanisms to achieve the ends of the Declaration; and specific proposals to enable the participation of indigenous peoples' representatives and institutions at the United Nations.

* A/70/50.



I. Introduction

1. The present report is submitted to the General Assembly through the Economic and Social Council in accordance with Assembly resolution 69/2 entitled "Outcome document of the high-level plenary meeting of the General Assembly known as the World Conference on Indigenous Peoples". The World Conference was held in September 2014, with the purpose of sharing perspectives on and best practices for the realization of the rights of indigenous peoples, including by pursuing the objectives of the United Nations Declaration on the Rights of Indigenous Peoples of 2007.

2. The report responds to the requests made in paragraphs 31 and 40 of the outcome document. In paragraph 31, the General Assembly requested the Secretary-General, in consultation and cooperation with indigenous peoples, the Inter-Agency Support Group on Indigenous Peoples' Issues¹ and Member States, to begin the development, within existing resources, of a system-wide action plan within the United Nations system to ensure a coherent approach to achieving the ends of the Declaration, and to report to the Assembly at its seventieth session, through the Economic and Social Council, on progress made.

3. In paragraph 40, the General Assembly requested the Secretary-General to report to it at its seventieth session on the implementation of the outcome document and to submit at the same session recommendations on how to use, modify and improve existing United Nations mechanisms to achieve the ends of the Declaration, ways to enhance a coherent, system-wide approach to achieving the ends of the Declaration and specific proposals to enable the participation of indigenous peoples' representatives and institutions, building on his report on ways and means of promoting participation at the United Nations of indigenous peoples' representatives on issues affecting them (A/HRC/21/24).

4. The present report is informed by responses received from Member States and indigenous peoples' organizations and representatives to a questionnaire circulated in accordance with a request by the Secretariat.² The report also takes into account information received in the context of the fourteenth session of the Permanent Forum on Indigenous Issues, held in May 2015.

II. Implementation of the outcome document

5. In the outcome document, Member States, first and foremost, but also the United Nations system and indigenous peoples themselves commit themselves to

¹ The Inter-Agency Support Group on Indigenous Peoples' Issues is a network of more than 40 United Nations system entities that endeavour to strengthen inter-agency cooperation throughout the system and to promote the human rights and well-being of indigenous peoples.

² Two different questionnaires were distributed in English, French, Russian and Spanish. One was sent by means of a note verbale to the 193 States Members of the United Nations on 12 March 2015. The other was disseminated to indigenous peoples' organizations on 5 March 2015 using the website of the Permanent Forum on Indigenous Issues and social media, reaching, for example, more than 6,000 people on social media. Member States and United Nations agencies, funds and programmes were also asked to distribute the questionnaires among their networks. The deadline for inputs was 6 April 2015. A total of 12 responses from Member States and 425 responses from indigenous peoples' representatives and organizations were received.

multifaceted action. In order to make the outcome document fully operational, Member States, the United Nations system, indigenous peoples and other actors must pursue a wide range of measures at all levels. Such an effort will require significant attention and may also necessitate legal, institutional and programmatic reforms, as well as the development of new laws, policies and programmes.

6. The responses received from Member States and indigenous peoples' organizations noted that few specific actions had been taken in direct follow-up to the World Conference, possibly owing to the short time that had passed since the adoption of the outcome document. The small number of specific actions indicated a need to further disseminate the outcome document and to raise awareness of the World Conference and the Declaration, as well as of progress made in their implementation. Member States, the United Nations system and indigenous peoples themselves all have roles to play in that regard.

7. Some Member States have taken specific measures, including disseminating the outcome document and holding initial discussions with indigenous peoples on its operationalization. For example, Denmark, Finland, Norway and Sweden held a meeting on 16 December 2014 on the follow-up to the World Conference, with the participation of indigenous representatives from the Arctic region, during which participants identified their key priorities for the implementation of the outcome document. In that connection, Finland had translated the outcome document into Finnish and three Sami languages and distributed it to governmental authorities and the Sami Parliament of Finland, among others. The United States of America hosted a consultation with indigenous peoples from that country on 26 February 2015 on the follow-up to the World Conference and discussed measures for the implementation of the priority provisions of the outcome document. Indigenous peoples referred to those two follow-up meetings in their responses to the questionnaire. Guatemala formed a coordinating committee, comprising various ministries that deal with indigenous issues, to disseminate the outcome document among State institutions for incorporation into their action plans. The Congo held a workshop in December 2014 to raise awareness about the outcome document of the World Conference.

8. While they did not mention specific activities initiated in follow-up to the World Conference, several Member States and indigenous peoples' organizations described current efforts at the national level with regard to the rights of indigenous peoples, consistent with the outcome document. The constitutions of various Member States contain provisions that recognize indigenous peoples and affirm their rights; El Salvador is the most recent State to have incorporated such provisions into its Constitution, which was amended in 2014 to recognize indigenous peoples for the first time. Numerous Member States have specific institutions dedicated to indigenous peoples at the national and local levels, as well as laws, policies and programmes that relate to commitments set out in the outcome document, including those relating to lands and territories, health, education; poverty reduction; violence against women and girls; the repatriation of ceremonial objects, access to justice, capacity-building, language and culture, and participation and consultations. However, some indigenous peoples' organizations indicated that gaps remained, even where relevant measures had been taken, and that Member States needed to make greater efforts to meet their commitments.

9. A number of Member States also referred to planned future activities relating to the World Conference. The Government of Mexico stated that it intended to create an inter-institutional group to follow up on its commitments set out in the outcome document. Finland planned to hold a national meeting on follow-up to the World Conference. The Plurinational State of Bolivia was developing a strategic action plan on the rights of indigenous peoples in that country. Denmark noted that, at the national level, priorities for the implementation of the outcome document had been discussed with indigenous representatives. Norway invited the Sami Parliament to assess the challenges remaining in implementing the Declaration and the relationship of those challenges to the outcome document, for future follow-up. Colombia noted that it would continue to implement measures relating to the rights of indigenous peoples, including developing, in 2015, a process for prior consultation with indigenous peoples in matters affecting them and a decree on the recognition of indigenous autonomy.

10. At the international level, several Member States emphasized the importance of including indigenous peoples' rights and priorities in the post-2015 development agenda, in accordance with paragraph 37 of the outcome document, in which Member States committed themselves to giving due consideration to all the rights of indigenous peoples in the elaboration of the post-2015 development agenda. In a joint statement presented at the fourteenth session of the Permanent Forum on Indigenous Issues, States Members of the Community of Latin American and Caribbean States (CELAC) emphasized efforts to include indigenous peoples in the current discussions on the post-2015 development agenda, including the sustainable development goals. Several States also referred to the ratification of the Indigenous and Tribal Peoples Convention, 1989 (No. 169) of the International Labour Organization, which is encouraged in paragraph 6 of the outcome document for those Member States that have not yet done so.

11. Indigenous peoples' representatives and organizations also reported on their own actions in follow-up to the outcome document, which included distributing it among their leadership, constituents and networks as well as to the media and the general public. References were also made to using the outcome document in lobbying efforts with government actors at the national level. Indigenous peoples also reported that they had organized meetings to discuss strategies for implementation, including efforts taken by the United Nations. In that connection, meetings were held³ to discuss strategies for the implementation of specific paragraphs of the outcome document: paragraph 28, on reviewing the mandates of existing mechanisms of the Human Rights Council, in particular the Expert Mechanism on the Rights of Indigenous Peoples, and paragraph 33, on enabling the participation of indigenous peoples' representatives and institutions in meetings of United Nations bodies on issues affecting them. At the same time, various indigenous respondents noted that no actions had yet been initiated by their respective indigenous governments, communities or organizations. In that connection, many responses highlighted the need to raise awareness of the outcome document so that measures for follow-up could be carried out.

³ The meetings included a brainstorming session in Arizona, United States, and an open-ended meeting of indigenous peoples on the follow up to the World Conference, in Geneva (see report at <http://statements.unmeetings.org/media2/4657383/iitc.pdf>).

12. Requests for technical and other support from the United Nations system to follow up on the outcome document were also highlighted. For example, the Government of El Salvador noted that it hoped to count on the support of the United Nations system in developing a national action plan on indigenous peoples. In addition, representatives from CELAC requested the United Nations to continue to provide support to countries in gathering disaggregated statistical data on indigenous peoples.

III. Update on the development of a system-wide action plan to ensure a coherent approach to achieving the ends of the United Nations Declaration on the Rights of Indigenous Peoples

13. In the outcome document, the Secretary-General was requested to develop a system-wide action plan to ensure a coherent approach to achieving the ends of the Declaration (para. 31). He was asked to do so in consultation and cooperation with indigenous peoples, Member States and the Inter-Agency Support Group on Indigenous Peoples' Issues.

14. The Secretary-General was also invited to accord responsibility for coordinating the action plan to an existing senior official of the United Nations system. In October 2014, he appointed the Under-Secretary-General for Economic and Social Affairs to take up that responsibility.

15. The various agencies, funds and programmes of the United Nations carry out activities that promote respect for the rights of indigenous peoples at the local, national and international levels. Many of those activities relate directly to provisions set out in the outcome document. Several United Nations agencies, funds and programmes also have specific policies and programmes relating to indigenous peoples, including regular consultations with indigenous peoples, to help to guide their work.

16. In accordance with the mandate set out in the outcome document, the system-wide action plan is a tool that will focus on the coherence of the United Nations system. The aim is to facilitate, within existing resources, a consistent system-wide approach to supporting Member States in achieving the ends of the Declaration. The request for an action plan that focuses on coherence recognizes that the United Nations system is already engaged in activities that address the rights and well-being of indigenous peoples. However, the action plan could be improved to ensure greater coherence and coordination, thus preventing duplication. It could also be more strategic and bring together the comparative strengths of the United Nations system, Member States and indigenous peoples, ultimately responding more effectively to the needs of Member States and indigenous peoples. The action plan will enable the United Nations system to deliver as one in working with Member States and indigenous peoples on achieving the ends of the Declaration.

17. In follow-up to the outcome document, the Inter-Agency Support Group on Indigenous Peoples' Issues has established a working group to begin the development of the system-wide action plan. Since January 2015, the working group has met on a biweekly basis, with the active participation of focal points from United Nations agencies, funds and programmes.

18. The development of the action plan involves active, ongoing and consistent consultations with United Nations system entities. The working group is discussing a draft set of guiding principles grounded in the Declaration, and has identified specific action areas that include the following:

(a) Providing support to Governments and State actors for the development and implementation of legal frameworks, policies, strategies or plans to achieve the ends of the Declaration;

(b) Providing support to indigenous peoples to strengthen their participation in the development, implementation and monitoring of national legal frameworks, policies, strategies and plans to achieve the ends of the Declaration;

(c) Promoting the participation of indigenous peoples in United Nations forums as well as consultations with indigenous peoples on United Nations initiatives;

(d) Collecting, disaggregating and disseminating statistics on indigenous peoples;

(e) Implementing capacity-building for United Nations staff with regard to the Declaration and disseminating, and conducting training on, the United Nations Development Group Guidelines on Indigenous Peoples' Issues.⁴

19. A questionnaire was circulated to request feedback on the draft action areas and, more broadly, on the challenges faced in achieving the ends of the Declaration, as well as what the United Nations system can do to address such challenges. Member States and indigenous peoples' representatives and organizations reacted positively to the key action areas identified. In particular, many responses made special mention of the role of the United Nations in capacity-building and awareness-raising; its provision of technical assistance and other support to Member States for the development of legal policy and administrative measures to achieve the ends of the Declaration; and its ensuring of the participation of indigenous peoples in United Nations processes and activities affecting them.

20. Indigenous peoples' representatives and organizations and Member States also provided proposals for work by the United Nations beyond the preliminary key action areas identified in the questionnaire. For example, a number of indigenous peoples' organizations highlighted the need to monitor the implementation of the Declaration, including with respect to specific situations, especially in the areas of land, territories and resources as well as consultation and consent; promote dialogue between Member States and indigenous peoples to address outstanding issues of concern; and encourage Member States to ratify human rights treaties or to support other relevant human rights instruments. For their part, several Member States raised the need for resource mobilization and improved coordination and non-duplication among United Nations agencies, funds and programmes; and the incorporation of a gender perspective and measures to address violence against indigenous women, among other issues.

⁴ Following the adoption, in 2007, of the United Nations Declaration on the Rights of Indigenous Peoples, the United Nations Development Group adopted the Guidelines on Indigenous Peoples' Issues in February 2008. The purpose of the Guidelines is to mainstream and integrate indigenous peoples' issues in processes for operational activities and programmes at the country level.

21. In the outcome document, Secretary-General was requested to develop the action plan not only through inter-agency work, but also in cooperation with indigenous peoples and Member States. The main mechanism for consultation has been online, given that the work is to be carried out within existing resources. Consultations in the context of ongoing United Nations events relating to indigenous peoples have also been organized and will continue as work progresses. Further consultations will be carried out when a draft action plan has been developed.

22. The development of the system-wide action plan is a work in progress. The Secretary-General will continue to receive and analyse input from Member States and indigenous peoples throughout the development of the action plan and will seek to take advantage of other opportunities to consult indigenous peoples, including during the sessions of the Permanent Forum and the Expert Mechanism. In that regard, the Secretary-General encourages Member States to consult with indigenous peoples on the follow-up to the World Conference.

IV. Use, modify and improve existing United Nations mechanisms to achieve the ends of the United Nations Declaration on the Rights of Indigenous Peoples

A. Background

23. In paragraph 28 of the outcome document of, the Human Rights Council was invited to review the mandates of its existing mechanisms, in particular the Expert Mechanism, during the sixty-ninth session of the General Assembly, with a view to modifying and improving the Expert Mechanism so that it could more effectively promote respect for the Declaration, including by better assisting Member States to monitor, evaluate and improve the achievement of the ends of the Declaration.

24. While the above-mentioned formulation covers, in principle, all the relevant mechanisms and mandates of the Human Rights Council, including the Special Rapporteur on the rights of indigenous peoples, the specific focus is on the review of the mandate of the Expert Mechanism. Established as a subsidiary body in 2007 by the Council, the Expert Mechanism has until now carried out its mandate to provide the Council with thematic expertise on the rights of indigenous peoples in the manner and form requested by the Council, mainly in the form of studies and research-based advice.

B. Input received

25. While the work of the Expert Mechanism has been valuable and commended, including by the Human Rights Council, the need to strengthen its work and impact has been widely recognized, as reflected in the outcome document, as well as in the responses received from Member States and indigenous peoples to the questionnaire and during consultations.

26. Several responses received emphasized the expectation of an enhanced mandate to assist Member States in monitoring, evaluating and improving the implementation of the Declaration, in addition to carrying out studies on specific

human rights issues affecting indigenous peoples. It was stressed that a revised mandate should complement those of the Special Rapporteur and the Permanent Forum. Furthermore, be conducted with the effective participation of indigenous peoples.

27. In addition, the responses stressed the need to allocate financial and human resources commensurate with the goals of the revised mandate to enable the Expert Mechanism to carry out its work effectively. Several comments also stressed that, while the mandate of the Expert Mechanism should be expanded, it should remain a unique subsidiary body of the Human Rights Council and that certain elements of its current mandate should be maintained, including the preparation of studies. Several comments also underlined that the sessions of the Expert Mechanism should continue to serve as a space for constructive and interactive dialogue between States and indigenous peoples.

28. The following proposals for specific ways in which the Expert Mechanism could assist Member States to monitor, evaluate and improve the implementation of the Declaration have been put forward by some Member States and indigenous representatives:

(a) Preparing reports on the implementation of the Declaration on the Rights of Indigenous Peoples worldwide, including through a mechanism that would enable Member States and indigenous peoples to submit information on a voluntary basis;

(b) Assisting Member States in monitoring and evaluating progress and overcoming obstacles to better achieve the ends of the Declaration, including in relation to the implementation of relevant country-specific recommendations concerning indigenous peoples issued by such existing human rights mechanisms as the Working Group on the Universal Periodic Review and the special procedures Human Rights Council as well as those of the treaty-monitoring bodies;

(c) Supporting Member States and indigenous peoples in the preparation of national strategies and action plans for the implementation of the Declaration, including through country-specific advice;

(d) Engaging actively with the universal periodic review process and with the special procedures of the Human Rights Council and human rights treaty bodies, as well as playing an active role in assisting States in implementing recommendations regarding indigenous peoples issued by those mechanisms;

(e) Issuing general observations and interpretations regarding the provisions of the Declaration;

(f) Collecting and disseminating information regarding good practices for achieving the ends of the Declaration;

(g) Providing technical assistance and expert advice to Member States, indigenous peoples and the private sector to help them to overcome obstacles to achieving the ends of the Declaration;

(h) Seeking, receiving and considering communications and other information from Member States, indigenous peoples and other sources on matters of concern for the rights affirmed in the Declaration.

29. Some proposals from Member States and indigenous peoples suggested the establishment of a capacity-building function for the Expert Mechanism to assist

States, indigenous peoples national human rights institutions and other relevant bodies in achieving the ends of the Declaration. Such a function would include the facilitation of dialogue as well as the provision of support and advice to improve national legislation and policy with regard to the rights of indigenous peoples, including national action plans and legislative, policy and administrative measures. Furthermore, some respondents suggested the enabling of the Expert Mechanism to send and receive communications on specific cases and to carry out country visits, keeping in mind the need to ensure complementarity with the mandate of the Special Rapporteur.

30. Proposals regarding the composition of the Expert Mechanism ranged from increasing the number of expert members to involving indigenous peoples more closely in the appointment process. The expertise and qualifications of the candidates is of critical importance in the selection of experts.

C. Recommendations

31. The work of the Expert Mechanism, in providing thematic expertise on the rights of indigenous peoples to the Human Rights Council, has been valuable. It is necessary, however, to strengthen the impact of the work of the Expert Mechanism, especially by taking into account the specific measures that have been put forward by Member States and indigenous representatives (see para. 28).

32. In particular, to better achieve the ends of the Declaration, the Expert Mechanism could be mandated to assist Member States in monitoring and evaluating progress, including in relation to the implementation of relevant thematic and country-specific recommendations issued by human rights mechanisms and bodies concerning indigenous peoples. The modified mandate should also enable the Expert Mechanism to engage in direct communications and constructive dialogue with interested Member States and indigenous peoples, as appropriate.

33. As the Human Rights Council pursues the mandate review and considers various proposals, it is important to continue close engagement with indigenous peoples and to take into account the mandates of the human rights mechanisms, including those of the Special Rapporteur and the Expert Mechanism. Such an inclusive approach will help to avoid unnecessary duplication and will facilitate specific human rights improvements for indigenous peoples, in line with the Declaration and the outcome document.

V. Enabling the participation of indigenous peoples' representatives and institutions

A. Background

34. Although indigenous peoples' representatives are able to participate in their own right in United Nations processes relating to indigenous issues, namely the sessions of the Permanent Forum and the Expert Mechanism, they often face difficulty in gaining access to other United Nations bodies and processes that do not

explicitly address the issues of indigenous peoples, but can have an impact on their rights. In such key bodies as the Human Rights Council and the Economic and Social Council, indigenous peoples' representative bodies are able to take part in meetings only through non-governmental organizations in consultative status with the Economic and Social Council.

35. Indigenous peoples' organizations and some Member States have pointed out that consultative status as a non-governmental organization with the Economic and Social Council is not appropriate for indigenous peoples' representative bodies, many of which have their own government or governance institutions. Furthermore, many indigenous peoples' organizations and institutions are distinct from non-governmental organizations because of their relationship with the peoples and communities that they represent. That relationship has led some Member States to include indigenous representatives in their delegations; however, such inclusion does not address the specific status of indigenous peoples' representative bodies.

36. In recognition of that challenge, the Heads of State and Government, ministers and representatives of Member States committed themselves, in the outcome document, to considering at the seventieth session of the General Assembly ways to enable the participation of indigenous peoples' representatives and institutions in meetings of relevant United Nations bodies on issues affecting them, including any specific proposals made by the Secretary-General in response to the request made in paragraph 40 of the outcome document.

37. In 2012, following a request from the Human Rights Council, the Secretary-General submitted a report on ways and means of promoting participation at the United Nations of indigenous peoples' representatives on issues affecting them (A/HRC/21/24). In addition to providing an overview of current modalities for indigenous peoples' participation in various United Nations bodies, the Secretary-General outlined possible ways forward regarding the development of a procedure to enable the participation of indigenous peoples' representatives in the United Nations, and highlighted issues for further consideration.

38. The Secretary-General also set out a series of considerations for the participation of indigenous peoples' representatives in the United Nations, namely:

- (a) Criteria for determining the eligibility of indigenous peoples' representatives for accreditation as such;
- (b) Nature and membership of the body to determine the eligibility of indigenous peoples' representatives for accreditation;
- (c) Details of the process, including the information required to be submitted to obtain accreditation as an indigenous peoples' representative;
- (d) Procedures that will make the participation of indigenous peoples' representatives meaningful and effective.

B. Good practices

39. Several current practices within the United Nations regarding indigenous peoples' participation have been identified as good practices by both indigenous peoples and Member States. They include the participation of indigenous peoples during the negotiation of the Declaration and at the sessions of the Permanent

Forum, the Expert Mechanism and the high-level commemoration of the fifth anniversary of the adoption of the Declaration, as well as support for the participation of indigenous peoples at those and other United Nations meetings through the United Nations Voluntary Fund for Indigenous Peoples.

40. Some Member States and indigenous peoples' organizations also commented positively on the modalities for the participation of indigenous peoples in the World Conference. In that process, one Member State representative and one indigenous representative, appointed by the President of the General Assembly, worked together to facilitate discussions on the format and organizational arrangements of the World Conference. In addition, two Member States and two indigenous advisers were appointed to support the President in the preparation of the outcome document. That approach helped to ensure that indigenous peoples could contribute to the process.

41. Other good practices are those that build the capacity of indigenous peoples to engage with the United Nations system, including the Indigenous Fellowship Programme of the Office of the United Nations High Commissioner for Human Rights.

C. Input received

42. Some indigenous peoples' organizations put forward a proposal for the creation of a new category of observer status that would allow indigenous peoples' representative institutions to participate more effectively in the United Nations. According to the proposal, indigenous peoples' representatives would be selected in accordance with their own procedures.

43. The criteria for determining which indigenous peoples' institutions would qualify for such status and the procedures for applying for and granting such status would also need to be addressed. While self-identification has been one of the main criteria for accrediting indigenous peoples' organizations for the sessions of the Permanent Forum and the Expert Mechanism, some Member States noted in their replies to the questionnaire that additional requirements for obtaining any new status should be introduced. Some Member States suggested that specific status should be granted to indigenous representatives and institutions that were constitutionally, legally or politically acknowledged in their countries. There are also calls for arrangements to consider granting such status to indigenous peoples' representative bodies that meet certain criteria, while not being legally recognized at the national level.

44. Regarding the process of accreditation of indigenous peoples' representatives and the body that would oversee it, several possibilities were put forward, ranging from a hybrid committee of Member States and indigenous peoples to consider applications, to the formation of a working group of the General Assembly on indigenous peoples' participation.

45. In considering modalities that would better accommodate the specific status of indigenous peoples' representative bodies, it would be useful to draw from positive practices that have been established for other categories of participants in certain contexts. For example, the way in which the Human Rights Council has accommodated the contributions of national human rights institutions in its sessions could inform and inspire future discussions on enhancing indigenous peoples' participation. National human rights institutions that comply with the principles relating to the status of national institutions for the promotion and protection of

human rights (the Paris Principles), can, for example, make oral statements under all substantive agenda items and participate through video messages in plenary debates of the Council.

46. In parallel with the consideration of formal arrangements for advancing indigenous peoples' participation, it is important to further develop informal ways of including indigenous peoples in other United Nations processes and enhancing dialogue between indigenous peoples and Member States. Informal briefings and channels can also be helpful in the context of the intergovernmental work of the General Assembly and its main committees. In that context, the proposals that have been made regarding meetings between Committee chairs and civil society and briefings by the President of the Assembly, for example, could also be considered, *mutatis mutandis*, in relation to indigenous peoples (see, for example, "Report to the President of the Sixtieth General Assembly on the United Nations: the relationship between Member States and civil society, including non-governmental organizations".⁵

D. Proposals

47. The Secretary-General reiterates observations made in his 2012 report on ways and means of promoting participation at the United Nations of indigenous peoples' representatives on issues affecting them (A/HRC/21/24), in which he outlined possible ways forward regarding the development of a procedure to enable the participation of indigenous peoples' representatives in the United Nations, and issues for further consideration.

48. The Secretary-General encourages Member States to move forward on developing measures to enable the effective participation of indigenous peoples' representatives and institutions in meetings of relevant United Nations bodies on issues affecting them, through representatives chosen in accordance with their own procedures.

49. In that process, Member States could look to current practices within the United Nations regarding indigenous peoples' participation that have been identified as good practices by both indigenous peoples and Member States. Member States should draw from positive practices that have been established for other categories of participants in certain contexts, for example, the accommodation of contributions by national human rights institutions in the sessions of the Human Rights Council.

50. As a next step, the President of the General Assembly may wish to consider appointing co-facilitators or advisers, including indigenous representatives, to lead an open-ended consultation process among, *inter alia*, Member States, indigenous peoples' representatives and existing mechanisms of the United Nations on the possible procedural and institutional steps and selection criteria necessary to enable indigenous peoples' participation at the United Nations. Indigenous peoples should be actively involved in the process of determining their participation, in partnership with Member States, before a procedure is finalized and adopted by United Nations intergovernmental bodies.

⁵ Available from www.un.org/ga/president/60/summitfollowup/060707e.pdf.

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Follow-up to and implementation of the outcomes of the
International Conferences on Financing for Development**

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21 July 2014-22 July 2015
Agenda item 11 (a)
Implementation of and follow-up to major
United Nations conferences and summits:
follow-up to the International Conference
on Financing for Development**

**Summary by the President of the Economic and Social
Council of the special high-level meeting of the Council with
the World Bank, the International Monetary Fund, the
World Trade Organization and the United Nations
Conference on Trade and Development (New York, 20 and
21 April 2015)**

I. Introduction

1. The special high-level meeting of the Economic and Social Council with the World Bank, the International Monetary Fund (IMF), the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD) was held in New York on 20 and 21 April 2015. The overall theme of the meeting was "Coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda". The meeting featured an opening address by the Secretary-General, a keynote address by the Deputy Prime Minister of Turkey, Ali Babacan, and statements on behalf of the Trade and Development Board of UNCTAD, the joint Development Committee of the World Bank and IMF, the International Monetary and Financial Committee of IMF and WTO.

2. The meeting was organized around a ministerial segment, statements by intergovernmental representatives and three thematic debates, each of which was followed by an interactive discussion. The ministerial segment focused on the theme "World economic situation and prospects". The thematic debates were organized around the themes of "Current challenges and emerging opportunities for mobilization of financial resources and their effective use for sustainable

* A/70/50.



development on the road to Addis Ababa"; "Renewed global partnership for development in the context of the post-2015 development agenda"; and "Follow-up and the way forward: enhancing the role of the Economic and Social Council". The participants had before them a note by the Secretary-General (E/2015/52), in which background information was provided and possible questions for discussion under the above four themes were suggested.

3. The meeting was preceded by preparatory consultations and meetings between the Bureau of the Economic and Social Council and the executive boards of the World Bank and IMF, in addition to intergovernmental representatives and senior management of WTO and UNCTAD.

4. Speakers at the ministerial segment included five at the ministerial level and one European Commissioner. A significant number of Executive Directors and Alternate Executive Directors of the Boards of the World Bank and IMF, as well as senior staff of these institutions and other institutional stakeholders, including WTO and UNCTAD, attended the meeting. Also participating were high-level government officials in the areas of finance, foreign affairs and development cooperation, in addition to senior staff of organizations of the United Nations system and other international organizations, including the major institutional stakeholders. Representatives of civil society and the business sector also participated actively.

II. Opening of the special high-level meeting

5. The opening of the meeting featured statements by the President of the Economic and Social Council, Martin Sajdik (Austria), and the Secretary-General.

6. The President, in his statement, welcomed the participants to the meeting, noting that it was being held at a crucial juncture in the lead-up to the third International Conference on Financing for Development, to be held in Addis Ababa from 13 to 16 July 2015. He underlined that past regional and global financial and economic crises had shown that decades' worth of development gains could come undone in a matter of a few years. In that context, he highlighted the need to work towards a more cohesive and resilient global economic system. In 2015, the world economy had begun on a weak note, following subdued growth in 2014. While it was expected to strengthen over the coming two years, it had been hampered by major geopolitical tensions and humanitarian crises. Unemployment, especially youth unemployment, remained a key policy challenge worldwide, posing risks not only to the economic recovery in the short run but also to potential long-term growth. To mitigate those challenges, he called for strengthened international policy coordination and cooperation. In particular, macroeconomic policies worldwide should be aligned towards supporting robust and balanced growth, creating productive jobs and maintaining economic and financial stability in the long run. He noted that the mobilization of both public and private resources at the national level would be at the heart of financing sustainable development and meeting the sustainable development goals. At the same time, traditional development cooperation, and official development assistance in particular, would continue to play an important role, especially for countries with special needs. He stressed the need for a new global partnership for development, leveraging the strengths of all actors, including civil society, the private sector, local governments and national parliaments. That partnership should be based on equity, cooperation and

accountability, taking into account national realities and differentiated needs, capacities and levels of development. To be effective, it would require a strengthened and more robust monitoring and accountability mechanism, including a strong financing for development follow-up process.

7. In his statement, the Secretary-General said that the current meeting was an important step in the preparation for the Conference in Addis Ababa, as well as for the United Nations summit for the adoption of the post-2015 development agenda, to be held in New York in September 2015 and the twenty-first session of the Conference of the Parties of the United Nations Framework Convention on Climate Change, to be held in Paris from November to December 2015. The strong engagement of the major institutional stakeholders and of the civil society and business sector representatives illustrated the unprecedented level of cooperation that had emerged during the common efforts to formulate a post-2015 development agenda. The Conference in Addis Ababa would provide a chance to devise a new international financial framework that would be predictable and effective in achieving sustainable and inclusive development. He outlined three key elements of a successful outcome in Addis Ababa: a cohesive and holistic financing framework for sustainable development; specific deliverables, in particular in crucial areas such as infrastructure, agriculture, social needs and support for small and medium-sized enterprises; and a strong follow-up process to ensure that no country would be left behind. He highlighted the need to tap into all sources of development finance: national and international, public and private. The zero draft of the outcome document emphasized the importance of combating illicit financial flows, including through national reforms and international tax cooperation. While the draft welcomed the work of the Group of 20 and the Organization for Economic Cooperation and Development (OECD) in that area, it also noted that those initiatives should be complemented by more inclusive deliberations at the United Nations to ensure that they benefited all countries, including the least developed countries. The draft stressed the need for continued official development assistance and the importance of reversing the declining trend of aid to least developed countries. It also emphasized the important role of development banks, private finance, technology, capacity-building and incentives to promote greater private investment in sustainable development. The zero draft also highlighted the need for an equitable multilateral trading system, sustainable debt and more inclusive global governance for sustainable development. He underlined that the financing needs for sustainable development were enormous. Success would rely on a revitalized and stronger global partnership for development.

8. In his keynote address, Mr. Babacan shared the views of the Group of 20 under the Turkish Presidency on the following: the global economic outlook, the Group's priorities at that juncture and the perspective and work of the Group on 20 on development. He observed that there was still no sustained recovery in the global economy, efforts to promote growth notwithstanding. He noted, however, the positive signals from major developed economies, including the eurozone, Japan, the United Kingdom of Great Britain and Northern Ireland, and the United States of America. The picture was more nuanced in emerging market economies, although they still accounted for more than two thirds of the global growth. He stressed that the challenges to the global economic outlook persisted, especially the recent volatility in exchange rates, prolonged low inflation and low yields. He called for important reforms in the areas of labour market, social security, investment and

human capital. He also presented the three priorities of the Group of 20 Turkish Presidency for 2015. The first was inclusiveness. The Turkey would emphasize small and medium-sized enterprises, which generated up to 80 per cent of employment in some countries. He announced the launch of a world forum on small and medium-sized enterprises, as well as a new "Women 20" engagement group to enhance the role and effectiveness of women in business. He emphasized the efforts of Turkey to ensure that the interests of low-income countries would be fully taken into account in the work of the Group. The second priority area was implementation. Turkey would focus on the implementation of the more than 1,000 structural reforms committed by the States members of the Group countries. If implemented, these reforms could raise global growth by 2 per cent higher than normal by 2018. The third priority area was investment. The States members of the Group were expected to present specific and concrete investment plans at the summit, to be held in Antalya on 15 and 16 November 2015. He highlighted the importance of private resources for public investment and the need for standardization of public-private partnerships. He elaborated on the efforts of the Turkey to make the greatest possible contribution to the agenda on international development in 2015. He underscored the linkages between the proposed sustainable development goals and the main elements of the Group's development agenda, notably infrastructure, national resource mobilization, financial inclusion and remittances, food security and nutrition, and human resources development. He also indicated the aim to develop an energy access action plan with a particular focus on sub-Saharan Africa. The very first meeting of the Group's 20 energy ministers would be held in Istanbul in October 2015. Lastly, he called for a new era of work between humanitarian and development sectors, especially in relation to humanitarian financing. He said that the World Humanitarian Summit, to be held in Istanbul in May 2016, should provide a unique opportunity to address those issues.

III. Ministerial segment on theme 1: "World economic situation and prospects"

9. The morning session featured a ministerial segment on the theme of "World economic situation and prospects", followed by an interactive discussion. The segment featured statements by the Deputy Prime Minister and Minister of International Economic Integration and Reforms of Armenia, Vache Gabrielyan; the Minister of Finance and Public Credit of Colombia, Mauricio Cárdenas; the Commissioner for International Cooperation and Development of the European Union, Neven Mimica; the Minister for Finance of Sweden, Magdalena Andersson; the Minister of Development, Investment and International Cooperation of Tunisia, Yassine Ibrahim; the State Minister for Finance and Economic Development of Ethiopia, Abraham Tekeste; and the President of the Eurasian Economic Club of Scientists, Murat Karimsakov.

10. Mr. Gabrielyan noted that there was still an important role for public finance in development, but that that role was evolving. One of the most prominent options, especially for least developed countries, was private-public partnerships. Armenia was actively using the potential of those partnerships with the help of donors, especially the World Bank. One of the most promising possibilities of overcoming the supply bottlenecks in infrastructure for Armenia, a landlocked country, was to promote a more efficient use of existing infrastructure. Recognizing the important

role of the Economic and Social Council in preparing for the post-2015 agenda and the Conference in Addis Ababa, he expressed the readiness of Armenia to engage actively in the discussions to make sure that 2015 would become a year of opportunity.

11. Mr. Cárdenas stressed the success story of Colombia with regard to economic and social development. He indicated that the country had an investment rate of 30 per cent and had managed to decrease poverty considerably from a high of 40 per cent in 2009. However, falling commodity prices and expected increases in interest rates in the United States presented major threats to growth in many Latin American countries. The erosion of the tax base was one of the most important challenges for the mobilization of national resources for development. Tax revenues accounted for 22 per cent of gross domestic product (GDP) in Latin American countries and 34 per cent in developed countries. He underscored the importance of capacity development, efforts to combat tax evasion, promoting the exchange of information among developing countries and strengthening national development banks. He reiterated the commitment of Colombia to ensuring a successful outcome in Addis Ababa to provide the financing for the sustainable development goals in the post-2015 period.

12. Mr. Mimica reiterated that the European Union was committed to advancing global growth and prosperity and to providing more official development assistance. He highlighted that the Union accounted for 20 per cent of global GDP, but for more than half of global official development assistance. Nevertheless, the efforts by the Union were insufficient and he called on all providers to make clear commitments in line with their economic strength. The Union was the world's leading funder of the Aid for Trade initiative. It also provided significant grants and unilateral trade preferences. The Everything but Arms initiative provided free access to the Union market for all products from least developed countries, except arms and ammunition. He insisted that the benefits of global progress should be shared widely, noting that inequality not only compromised human dignity but also had a negative impact on growth potential. He underscored that the financing for development and post-2015 tracks should merge into a single overarching agenda, supported by a solid monitoring mechanism to ensure credibility, consistency and impact.

13. Ms. Andersson highlighted two main challenges: climate change and gender equality. Given that the fall in oil prices discouraged a move away from carbon-based fuel, she underlined that the need to introduce carbon taxes or restrictions on emissions was greater than before. She emphasized that Sweden had 20 years of experience with a carbon tax and that it had the highest carbon tax in the world. Since 1991, the GDP of Sweden had increased by 60 per cent, whereas carbon emissions had dropped by 20 per cent. She used those data to illustrate that it was possible both to enjoy growth and to reduce emissions. She also stressed that promoting gender equality would increase growth potential. She highlighted that official development assistance was an important but limited source of development financing and that it should be used to unleash the potential of other financing sources. She reiterated the commitment of Sweden to meet the official development assistance target of 0.7 per cent of GNI, and to meeting and exceeding 50 per cent of such assistance to least developed countries. National resource mobilization would play a key role. In that respect, she welcomed the proposals in the zero draft

outcome document for the Conference in Addis Ababa to increase tax revenues progressively.

14. Mr. Ibrahim shared his impressions of the discussions on commodity prices that were held at the spring meetings of IMF and the World Bank Group in Washington, D.C., from 17 to 19 April 2015. He raised some particular issues, including reforms in the energy sector and the elimination of energy subsidies. Over the past four years, Tunisia had launched an ambitious programme of reforms to improve competitiveness and to make the country more attractive to international investors. At the same time, the Government was working with the United Nations to meet national economic and social goals. He used that opportunity to thank all international organizations, especially the United Nations, for their support. He indicated that the Government was working on a five-year plan for the period 2016-2020.

15. Mr. Tekeste pointed out that the recovery of the world economy was not proceeding at the desired pace and that growth might be moderate in the coming years. New challenges were beginning to emerge in different parts of the world. The commitment of the international community to the transformative development agenda was extremely important during that period. The effective implementation of the sustainable development goals required all sorts of financing: private and public, national and international. At the national level, the necessary environment needed to be created for the meaningful participation of the private sector. At the international level, he underlined that official development assistance or international public finance remained important, in particular for least developed countries, to attain the goals. He emphasized that international financial and trade institutions had a much greater role to play in future development, especially in ensuring a stable global financial and trading system, providing support for the least developed countries and making the necessary resources available for infrastructure development. Beyond financing bankable projects, those institutions should continue to provide support for national resource mobilization, capital market development, foreign direct investment, capacity-building and technical assistance.

16. Mr. Karimsakov shared the results of the first and second world anti-crisis conferences in Astana. The first was held in May 2013 with 3,000 experts and officials from 104 countries, including ministers of finance and heads of central banks. The second was held in May 2014 with the participation of 4,000 delegates from 136 countries. The goal was to work out the World Anti-Crisis Plan that had been presented at the sixty-eighth session of the General Assembly.

17. In the ensuing discussion, the following points were raised: respecting the policy space of national Governments in the area of public finances; reforming international financial institutions and the global monetary system to ensure the full representation of developing countries; meeting the official development assistance targets of 0.7 per cent of GNI, with at least 0.20 to 0.25 per cent of GNI allocated to least developed countries; making global fiscal policy more countercyclical and more equitable; and designing new development indicators other than GDP, such as multidimensional poverty. It was also noted that the current levels of official development assistance were insufficient to achieve the sustainable development goals, especially for some recipient countries.

IV. Statements by institutional stakeholders

18. The morning session concluded with statements by the Vice-President, Trade and Development Board, UNCTAD, Luis Manuel Piantini Munnigh (Dominican Republic); Corporate Secretary and President's Special Envoy, World Bank Group, Mahmoud Mohieldin; Deputy Secretary of IMF and Acting Secretary of the International Monetary and Financial Committee Calvin McDonald; and Deputy Director-General, WTO, Yi Xiaozhun.

19. Mr. Munnigh reiterated the important role of trade as a key enabler and means to achieve inclusive economic growth and sustainable development. Open, universal, rule-based and non-discriminatory participation in international trade could deliver key benefits to developing countries. He underlined that UNCTAD had developed an action plan for private investment in the sustainable development goals, with some priority packages: a new generation of investment promotion strategies and institutions; investment incentives oriented towards the goals; regional sustainable development goals investment compacts; new forms of partnership for sustainable development goals investment; enabling innovative financing mechanisms and a reorientation of financial markets; and changing the global business mindset and developing goals investment expertise.

20. Mr. Mohieldin noted that, in April 2015, participants in the joint World Bank/IMF Development Committee meeting had welcomed the participation of the Secretary-General, the President of the General Assembly, the co-facilitators of the post-2015 development agenda and the preparatory process for the Conference in Addis Ababa, a delegation of high-level officials from the United Nations, and the heads of the multilateral development banks. Ministers had acknowledged that achieving the sustainable development goals would require a transformational vision that built on the lessons of the Millennium Development Goals and combined all potential sources of financing, including more effective and catalytic use of official development assistance, in particular for the poorest; strengthening national resource mobilization, promoting sound public financial management and addressing the challenge of illicit finance; promoting private finance and investment; and coordinating action on global issues. The Committee had recognized that achieving the sustainable development goals would also require countries to deal with the challenges and consequences of climate change and natural disasters. The members had commended the World Bank Group's commitment to mainstreaming low-carbon development and disaster risk management while maintaining focus on its poverty eradication mandate, and further encouraged efforts and financing to contribute to the success of the twenty-first session of the Conference of the Parties of the United Nations Framework Convention on Climate Change, to be held in Paris in December 2015. The Committee had highlighted the recent plunge in oil prices and noted the significant real income shift from oil exporters to oil importers, with a net positive effect on growth in developing countries, which created challenges for policymakers in oil-exporting countries, but also provided a favourable environment for subsidy and tax reforms for more inclusive and sustainable growth.

21. Mr. McDonald focused on the role of IMF in supporting countries in a global economy characterized by uneven growth, declining oil prices, sharp variations in exchange rates and market volatility. With regard to fiscal policy, he pointed out that IMF would continue to provide advice on how to make fiscal policy supportive of

short-term and long-term growth; calibrate fiscal packages and reduce public debt overhangs; and manage fiscal risks. With regard to monetary policy, IMF would continue to assess the impact of asynchronous or timing differences in their implementation. That included how to strengthen the effectiveness of macroeconomic policy transmission, manage disruptive exchange rate movements, mitigate financial stability risks and capital flow volatility, and respond to falling commodity prices and disinflationary pressures. IMF would deepen macrofinancial analysis and support members in addressing financial stability risks, and advise on addressing debt overhangs, especially in the eurozone. It would continue to identify and analyse macrocritical structural reforms to make growth sustainable, job-rich and inclusive, leveraging the expertise of other institutions. Lastly, he underscored that the implementation of the 2010 IMF quota and governance reforms remained a priority. IMF was fully committed to working expeditiously with its members to pursue an interim solution to make meaningful progress in the key areas of the reforms.

22. Mr. Yi stated that WTO remained fully committed to the discussion of the post-2015 agenda and the financing for development process. He said that, as WTO celebrated its twentieth anniversary in 2015, the organization and its rules governing world trade had proved their worth in the context of the Millennium Development Goals. He outlined some key areas where WTO should play an important role in the post-2015 development agenda, such as the Agreement on Trade Facilitation, the implementation of the rest of the Bali package and the work on Aid for Trade and the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries. WTO will have the Fifth Global Review of Aid for Trade from 30 June to 2 July 2015 under the theme of “Reducing trade costs for inclusive, sustainable growth”. High trade costs acted as an obstacle to the trade integration of many developing countries, in particular the least developed countries. The most recent figures on Aid for Trade flows indicated that commitments to least developed countries stood at \$8.8 billion in 2012, up from \$7.2 billion in 2011. He drew attention to the problem of access to trade finance. He highlighted that up to 80 per cent of global trade was supported by some form of financing or credit insurance. Nevertheless, in many countries there was a lack of capacity in the financial sector to support trade and a lack of access to the international financial system. The situation had worsened after the financial crisis, as global private financial institutions had been withdrawing from the least developed countries. He expressed the commitment of WTO members and the Director General to put trade finance on the agenda of the Conference in Addis Ababa.

V. Thematic debate on theme 2: “Current challenges and emerging opportunities for the mobilization of financial resources and their effective use for sustainable development on the road to Addis Ababa”

23. The thematic debate featured presentations and statements by the Minister for Foreign Trade and Development Cooperation of the Netherlands, Lilianne Ploumen; the co-facilitators of the preparatory process for the Conference in Addis Ababa, George Talbot (Guyana) and Geir O. Pedersen (Norway); the Secretary-General of UNCTAD, Mukhisa Kituyi; and the Under-Secretary-General for Economic and

Social Affairs and Secretary-General of the third International Conference on Financing for Development, Wu Hongbo.

24. Ms. Ploumen noted that, at the IMF/World Bank spring meetings in April 2015, the participants had emphasized how to move "from billions to trillions". She indicated that the discussions had focused on official development assistance, national resource mobilization and the importance of engaging the private sector. She underlined that official development assistance was and remained of key importance to those in greatest need, such as least developed countries, small island developing States and fragile and conflict-affected countries. With regard to national resource mobilization, she emphasized three points: multilateral and bilateral support to capacity-building for national tax administrations; inclusion of anti-abuse measures in all new bilateral tax treaties between advanced and developing countries, and revising existing treaties to curb tax avoidance; and more inclusive dialogue on tax base erosion and profit-shifting. She expressed the support of the Netherlands for stronger international cooperation on tackling tax avoidance. Lastly, she called for the use of all available financial sources, including private finance. She stressed that innovative finance should help to leverage additional private resources, especially through multi-stakeholder partnerships.

25. Mr. Talbot pointed out three challenges ahead: change, skill and response ambition. Change was given by making sustainability the defining paradigm of the future, as found in the sustainable development goals. In his view, the main question was how to build confidence to ensure that all partners were committed to delivering on a very ambitious agenda. The challenge of skill was about how to deal effectively with such established goals and how to mobilize the necessary resources. Response ambition referred to a credible framework for implementation and specific deliverables that matched the demands of the post-2015 development agenda. Mr. Pedersen highlighted the need for new and fresh ideas, especially for cross-cutting initiatives and synergies. He acknowledged broad agreement on the role of official development assistance, the need to mobilize national resources and increase taxation, and the key role of the private sector.

26. Mr. Kituyi welcomed the repeated calls for stronger international action to mobilize national public finance for development paid for by taxes and to promote the role of private finance in meeting the sustainable development goals. He emphasized three additional actions for the financing for development process. First, he recalled the holistic nature of the Monterrey Consensus to ensure that the agreement arising from the Conference in Addis Ababa would be comprehensive and forward-looking. He stressed that financing for development was not only about aid, taxes and the private sector but also about paying greater attention to systemic issues such as capacity-building, technology and innovation, as well as updating the approach to trade and investment issues at large. Second, he said that such an agreement from the Addis Ababa Conference should fully recognize the importance of trade and investment and highlight their role in national development strategies. In particular, financing for development required support for capacity-building activities such as trade facilitation, trade diversification, improving understanding of non-tariff measures and improving collection of trade-related revenues. Third, he emphasized the importance of sustainable governance of international investment. He called for highlighting the role that the international community could play in facilitating regional and global investment in trading activity through regional infrastructure and technical support.

27. Mr. Wu focused on the preparations for the Conference in Addis Ababa. He stated that it presented a unique opportunity to adopt a strong financing framework for sustainable development and provide the means of implementation for the post-2015 development agenda. He stressed the ongoing intensive period of preparations for the Conference, including the second drafting session of the outcome document and the joint session between the financing for development and the post-2015 processes, as well as IMF/World Bank spring meetings in April 2015, where the Secretary-General had made the case for an ambitious outcome and the highest level of participation in the Conference. He also outlined the key points that had emerged from the regional consultations on financing for development organized by the United Nations regional commissions. The participants had emphasized the importance of national resource mobilization and the need for reforms at the national and international levels, for example, to combat illicit financial flows and curtail tax avoidance and evasion, and to ensure greater and more inclusive international cooperation in tax matters. There had been strong calls upon donors to meet their official development assistance commitments of 0.7 per cent of GDP. Some had called for more ambitious official development assistance targets. With regard to the private sector, there had been some discussion of the impediments to all private finance and investment becoming sustainable. The role of migrant communities in mobilizing domestic and international private resources had also been discussed. In his capacity as Secretary-General of the Conference in Addis Ababa, he reiterated his commitment to making the Conference a success and to working closely with the heads of the World Bank Group, IMF, WTO, UNCTAD and the United Nations Development Programme (UNDP) to mobilize high-level political support for the Conference.

28. In the ensuing discussion, participants drew attention to the importance of job-intensive growth, national resources for development financing, tax compliance and tax capacity, official development assistance, private sector and corporate social responsibility and technology transfer, as well as efforts to prevent debt crisis and to carry out debt restructuring. It was suggested that climate finance and development finance should be accounted for separately. Carbon prices and subsidies for energy were also discussed.

VI. Thematic debate on theme 3: “Renewed global partnership for development in the context of the post-2015 development agenda”

29. The thematic debate featured presentations by the Co-Dean of the Board of Executive Directors of the World Bank Group, Hervé de Villeroché; the Executive Director of the Mexican Agency for International Development Cooperation, Juan Manuel Valle Pereña; the Assistant Administrator and Director of the Bureau for Policy and Programme Support of UNDP, Magdy Martínez-Solimán; and the Deputy Director of the Development Cooperation Directorate of OECD, Brenda Killen.

30. Mr. de Villeroché observed that the discussions at the IMF/World Bank spring meetings in April 2015 demonstrated how useful it was to deepen the relationships and exchange of views between various institutions. He noted that the joint paper, “From billions to trillions: transforming development finance”, prepared by the

World Bank Group, IMF and multilateral development banks, offered a new paradigm of how to use official development assistance, national resources, public and private funds, and innovative sources to finance development. In his view, the main challenge ahead was how to concretize the collective vision over the coming fifteen years. Official development assistance was essential for low-income developing countries, fragile states and countries affected by conflict. Nevertheless, there was a need to bring in remittances of migrants and foreign direct investment, and to make fiscal systems more effective. He pointed out other challenges, such as climate change and public health, that required coordinated action before and after the Conference in Addis Ababa.

31. Mr. Pereña remarked that the former Millennium Development Goals paradigm had been driven by the donor-recipient dichotomy and would no longer be applicable to yield results in the context of the post-2015 development agenda and the sustainable development goals. He called for partnerships to be at the core of the new development agenda during the period 2015-2030. It was important to share public policies that had proved successful. Civil society, besides being a constant reminder of responsibilities and areas of opportunity, was collaborating in the oversight and implementation of important development projects. Triangular cooperation between Southern and traditional partners was growing. South-South cooperation had to become more successful. In that respect, he pointed out the need to strengthen the data collection capacity of South-South cooperation. Effective South-South cooperation relationships were often characterized by inclusive and horizontal partnerships and networks based on equity, trust and mutual learning. He indicated that Mexico had promoted the need to share methodologies and data collection practices through international cooperation. He added that the Global Partnership for Effective Development Cooperation could be a platform for exchanging experiences and building a community of practice where demand could meet supply, with specific and tangible effects on development cooperation, coordination and implementation.

32. Mr. Martínez-Solimán noted that financing in the Millennium Development Goals era was often conceived as adding up the resources available to developing countries from different sources — for example, domestic resources, foreign direct investment and remittances — to meet the Goals and then fill in the gap with official development assistance. He underscored that that approach was insufficient. The universality and breadth of the new agenda would require moving from filling gaps to mobilizing very large financial flows — from billions to trillions, as highlighted by the World Bank and other institutions. However, the quality and quantity of official development assistance would remain crucial, in particular for least developed countries. In that context, he voiced concern that total aid had grown while the share allocated to the poorest countries and to Africa had recently been decreasing. The post-2015 development agenda was much larger than aid and could not be achieved through public finance alone. Incentives would be needed to ensure that private investment decisions could move the world towards sustainable development aspirations. In the future, business operations and results should contribute directly to the achievement of the sustainable development goals in ways that went beyond corporate social responsibility and philanthropy. He also stressed the importance of learning how to operate in the presence of numerous shocks to the world economy and increased volatility.

33. Ms. Killen emphasized that partnerships had been a hallmark of the work of OECD for the past 50 years. OECD saw its role as twofold: first, holding its members to account for their development commitments; and, second, facilitating inclusive multi-stakeholder partnerships among OECD members and with low-income and middle-income countries, the private sector and civil society to enhance collective impact. She mentioned some of the platforms, tools and good practices that OECD had developed and that could contribute to a renewed global partnership for sustainable development. Those included the joint work with the United Nations to support the Global Partnership for Effective Development Cooperation as well as a range of other dialogue platforms to share experiences on best practices and effective policy implementation in the areas of public sector reforms, taxes, direct investment, innovation, green growth, multinational enterprises, gender equality, fragility and conflicts. She added that peer review mechanisms were another distinguishing feature of OECD's international cooperation toolkit. She outlined four success imperatives for successful partnerships in the post-2015 era: secure high-level leadership; ensure that partnerships were country-led and context-specific; agree on principles, targets, implementation plans and enforcement mechanisms; and maintain a clear focus on results.

34. In the ensuing discussion, some participants raised the issues of young emerging donor countries and the need to facilitate access to credit and to increase the share of exports in GDP. The negative economic implications of climate change for developing countries were also highlighted, as was the need to find more resources to finance the broad set of sustainable development goals. There was a call to strengthen the engagement of civil society and young people in the post-2015 development agenda.

VII. Presentation on "world economic situation and prospects"

35. The Chief of the World Economic Studies Division of IMF, Thomas Helbling, presented the highlights of IMF's *World Economic Outlook* (April 2015). According to IMF forecasts, global growth was to remain moderate and uneven in 2015, with some improvement expected in 2016, owing mainly to the tensions produced by the sharp fall in oil prices accompanied by further declines in long-term interest rates and inflation, as well as the continuing exchange rate realignment among major currencies. Although lower oil prices were a small net positive for the world economy, the downside risks had rotated from developed economies to emerging markets, especially energy exporters, and a lower potential growth in developed and major emerging market economies weighed on demand. It was therefore important to use the opportunities offered by low oil prices to build up a fiscal buffer. To date, most oil exporters had managed to maintain expenditure levels by increasing fiscal deficits. The recent United States dollar appreciation and the yen and euro depreciations had also been a net positive, boosting global demand. However, the potential risks of capital flows reversal and financial instability were real concerns for developing countries. In particular, the expected tightening by the Federal Reserve in mid-2015 raised the possibility of a "taper tantrum" with wide repercussions. Many African and low-income countries appeared to have achieved a permanent upward shift in their trend growth thanks to improved policies, structural changes and human capital improvement, the ending of the cyclical overheating and fall in commodity prices notwithstanding. Nevertheless, growth in emerging market

economies had become extensive, relying on capital and labour expansion rather than productivity growth, and expectations of lower potential growth and the ongoing slowing in China could hamper investment.

36. In the ensuing discussion, participants asked questions about specific effects of world economic trends and prospects for the post-2015 development agenda, the implications of the slowdown of growth in China, the consequences of lower commodity prices for growth in Latin America, the forecasts of exchange rates for major currencies and the duration of crisis legacies. Mr. Hebling underlined that capital flows to emerging markets and developing economies remained strong, although lower than pre-crisis levels. Policy frameworks had adjusted and many economies had adopted new rules to manage capital flows. He stressed that the slowdown in China had been expected and was in part policy-induced. Some surprises in the dynamics of commodity prices were not caused by China and the slowdown of its economy. There were other powerful, non-market factors, such as sanctions and outages of production owing to geopolitical reasons. In terms of currency fluctuations, the concern was that, once exchange rates movements were set in motion, they would often develop a life of their own, so there might be another dollar cycle and the adjustment would continue for some time. As to crisis legacies, he said that growth for the major advanced economies was to remain relatively modest over the coming five years.

VIII. Thematic debate on theme 4: "Follow-up and the way forward: enhancing the role of the Economic and Social Council"

37. The thematic debate featured presentations by the Permanent Representative of Colombia to the United Nations and Vice-President of the Economic and Social Council, María Emma Mejía Vélez, and the Permanent Representative of the Republic of Korea to the United Nations and Vice-President of the Council, Oh Joon.

38. Ms. Vélez said that the Economic and Social Council should play a key role in the follow-up to the post-2015 development agenda and the Conference in Addis Ababa. She mentioned that the Annual Ministerial Review of the Economic and Social Council in July 2015 and the quadrennial comprehensive policy review in 2016 would make an important contribution. She stressed the importance of cooperation and coordination throughout the United Nations system. She said that the new architecture for follow-up and review should be based largely on the experiences of the voluntary national presentations at the annual ministerial reviews. With regard to follow-up mechanisms, she noted that the roles of the high-level political forum on sustainable development, the General Assembly and the Economic and Social Council was yet to be discussed and determined. She added that the first level of accountability was at the national level.

39. Mr. Oh stressed that economic growth and job creation were essential for mobilizing development resources. He highlighted three main elements for the way forward: integration, implementation and interaction. First, the Economic and Social Council was supposed to promote the integration of the three aspects of the sustainable development — economic, social and environmental — in the United Nations system and beyond. Second, the Council would play a central role in the

implementation of the post-2015 development agenda and in the follow-up to the implementation of decisions of past world summits and conferences. Third, the interaction function of the Council was determined by the fact that it had been mandated to serve as a platform to coordinate global, regional and national development activities. He emphasized that the strength of the Council lay in partnership with the subsidiary bodies and various institutions and stakeholders. The Council could connect the new development agenda, the operations of the United Nations development system and financing for development. As such, the regular exchanges and the annual special high-level meetings with the World Bank, IMF, WTO and UNCTAD would continue to be particularly useful for all parties involved.

40. In the ensuing discussion, representatives of civil society proposed ways to strengthen the special high-level meeting of the Council with the World Bank, IMF, WTO and UNCTAD in the follow-up to the Conference in Addis Ababa, especially on its format, structure and substantive focus, as well as the interactions between the Council and international financial institutions. The issue of accountability at the national and global levels was also discussed, with some references to peer reviews as useful instruments.

IX. Concluding remarks by the President of the Economic and Social Council

41. The President of the Economic and Social Council expressed thanks to all participants for the constructive spirit of engagement and valuable contributions to the debate, noting that the meeting had brought together the key players involved in deliberations on the post-2015 development agenda and its means of implementation.

42. He summarized the main features of the discussions, noting, among other things:

(a) That the road to Addis Ababa was challenging. The global economic outlook was uneven and there was no room for complacency. Unemployment remained very high, in particular among young people. Yet, recent economic trends were sending positive signals. It was important to create enabling national and global environments for development. A strong global economy was fertile ground for development, while a weak one would have pronounced economic implications. A package of ambitious structural reforms should be put in place in many areas, including labour markets, social sectors, infrastructure and energy. These reforms would be vital for the achievement of the post-2015 development agenda;

(b) That all sources of development finance — public and private, national and international — were needed. Official development assistance would remain crucial in the new financing framework, especially for poor countries and those in special situations. At the same time, such assistance alone would not suffice and additional resources for the new universal agenda should be made available;

(c) That the importance of strengthening tax collection capacity and tax compliance, as well as addressing illicit financial flows, had been underscored several times;

(d) That, with regard to the private sector, many participants had underlined the potential and importance of small and medium-sized enterprises, in terms of both economic growth and job creation;

(e) That the development agenda should also recognize the need for coherence and consistency in the trading system, working to address distortions in trade, non-tariff measures, tariff peaks and other policies that harmed developing countries. Completing the Doha Round was important to fully harness the potential for trade and investment;

(f) That some participants had called for the strengthening of the role of the United Nations in global economic governance and international cooperation in tax matters. There had been calls for governance reforms of international financial institutions to improve the voice and representation of developing countries.

43. He called for the strong engagement of all relevant stakeholders in tackling the challenges ahead in formulating and implementing a new global financing framework, stressing that the Council stood ready to play its part.

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High-level segment

**Discussions on the theme of the eighteenth session of the
Commission on Science and Technology for Development,
“Managing the transition from the Millennium
Development Goals to the sustainable development goals:
the role of science, technology and innovation”**

Note by the Secretary-General

On 19 December 2014, the President of the Economic and Social Council addressed letters to the Chairs of the functional commissions of the Council requesting them to provide a contribution to the Council, for its consideration at the high-level segment, on the theme of the 2015 session, “Managing the transition from the Millennium Development Goals to the sustainable development goals: what will it take?”.

The present note, prepared in response to that request, provides the Chair's summary the discussions held at two events organized during the eighteenth session of the Commission on Science and Technology for Development, held in Geneva from 4 to 8 May 2015:

(a) Ministerial round table entitled “Managing the transition from the Millennium Development Goals to the sustainable development goals: the role of science, technology and innovation”;

(b) Panel discussion on the priority themes of the eighteenth session: “Strategic foresight for the post-2015 development agenda” and “Digital development”.



Summary by the Chair of the discussions on the theme of the eighteenth session of the Commission on Science and Technology for Development, “Managing the transition from the Millennium Development Goals to the sustainable development goals: the role of science, technology and innovation”

1. The Commission on Science and Technology for Development held its eighteenth session in Geneva from 4 to 8 May 2015. On 4 May, a ministerial round table was convened on the theme “Managing the transition from the Millennium Development Goals to the sustainable development goals: the role of science, technology and innovation” as a substantive contribution to the Economic and Social Council, for its consideration during the high-level segment, on the theme of the 2015 session, “Managing the transition from the Millennium Development Goals to the sustainable development goals: what will it take?”.
2. The Deputy Secretary-General of the United Nations Conference on Trade and Development (UNCTAD), Joakim Reiter, provided the introductory remarks at the ministerial round table, which was moderated by the Chair of the eighteenth session of the Commission, Omobola Johnson (Nigeria). Statements were made by participants from Angola, Chile, Cameroon, the Congo, the Dominican Republic, Oman, Pakistan, Nigeria, the Sudan, Thailand and the United States of America. Statements were also made by the representatives of China, Morocco, Uganda, the United Kingdom of Great Britain and Northern Ireland and the European Union.
3. On 6 May, the Commission held a panel discussion to discuss the two priority themes of the eighteenth session: “Strategic foresight for the post-2015 development agenda” and “Digital development”. The panel stimulated thinking on how strategic foresight and digital development could contribute to the transition from the Millennium Development Goals to the sustainable development goals.
4. The panel, moderated by the Chair, comprised the following experts: Sergio Bitar, Senior Fellow, Inter-American Dialogue, and former Minister of Public Works, Education and Mining of Chile; Shirley Malcom, Head of the Directorate of Education and Human Resources of the American Association for the Advancement of Science and member of the Gender Advisory Board; Geci Karuri-Sebina, Chair, South African Node at the Millennium Project; Michael Heister, Head of the Department for Vocational Teaching and Learning, National Programmes and Development Programmes, Federal Institute for Vocational Education and Training, Germany; Raul Katz, Director of Business Strategy Research, Institute for Tele-Information, Columbia University; Mark Graham, Senior Research Fellow and Associate Professor, Oxford Internet Institute; and Maurizio Bona, Adviser to the Director-General of the European Organization for Nuclear Research (CERN).
5. The panel heard statements by the representatives of Austria, Canada, Chad, Hungary, India, Kenya, Mexico, Thailand and the United States, as well as the European Union. Representatives of civil society organizations and the private sector also made statements.
6. The round table provided an opportunity for participants to consider the role that science, technology and innovation would need to play in promoting sustainable development and to discuss the associated challenges and opportunities. Participants

broadly acknowledged that science, technology and innovation were important for all three pillars of sustainable development: economic, social and environmental. They agreed that science, technology and innovation, including information and communications technology, should be seen as enablers for all the sustainable development goals and an important part of the "means of implementation" under goal 17.

7. Participants highlighted economic, social and environmental issues in which science, technology and innovation could play a key role. They included increasing productivity, improving the quality of products and adding value; diversifying the economy, increasing economic growth and raising the level of international competitiveness; creating new jobs and reducing poverty; improving agricultural production, promoting sustainable production and consumption patterns and ending hunger; curing diseases; managing natural resources effectively, creating new sources of energy and combating the effects of climate change, such as desertification, flooding and changing weather patterns; and enabling disaster planning and post-disaster recovery.

8. In considering the role of science, technology and innovation in the transition to the sustainable development goals, participants reported that the success rates of national experiments in harnessing the potential of science, technology and innovation in implementing the Millennium Development Goals had varied. National experience also showed differing levels in national capacity in the area of science, technology and innovation policy and strategies, in the availability of the required human resources, in the ability to finance investment in science, technology and innovation and research and development and in the degree of public policy support for science, technology and innovation.

9. Participants agreed that more needed to be done to benefit fully from science, technology and innovation and information and communications technology. They highlighted as priorities strengthening science, technology and innovation capacity; promoting private sector investment in science, technology and innovation; reinforcing international collaboration; creating jobs and developing human capital; using strategic foresight for the post-2015 development agenda; integrating the gender dimension; facilitating effective digital development; harnessing the big data revolution; and improving policy coherence and effectiveness. Those priorities would require political will and appropriate policy action at the national, regional and international levels. Those themes are elaborated on in the following paragraphs.

Strengthening science, technology and innovation capacity

10. There was consensus on the need to bridge science, technology and innovation capacity gaps, which could range from inadequate human resources and a lack of research infrastructure and training facilities to weak national innovation systems. Sufficient human capital was critical to technological upgrading and innovation. Speakers highlighted the need to increase spending on education and training, in particular science, technology, engineering and mathematics education. A representative noted that the key to increasing the probability of disruptive innovation in the future was to promote science, technology, engineering and mathematics education and basic scientific research. In that regard, several participants reported having recently revised school curricula to respond to science,

technology and innovation needs; build science, technology, engineering and mathematics skills; and make education more practical and better suited to meet the needs of industry.

11. Speakers noted the importance of innovative uses of information and communications technology to improve education services, especially in rural or disadvantaged areas. Participants stressed that innovative approaches to education were needed to bring students closer to addressing real-world problems. Some recommended using scholarships to guide students into more technical subjects or to improve student mobility and encourage researchers to shift between research and industry. A speaker suggested that multidisciplinary teams of students could be established to solve problems and develop new goods and services.

12. Mobilizing resources for investment in science, technology and innovation infrastructure represented an important challenge to many countries and was often an obstacle to building effective innovation systems in developing countries. It was recommended that science, technology and innovation infrastructure should become a key part of a country's basic infrastructure, along with transportation and energy infrastructure.

13. Participants also highlighted the issue of increasing gross expenditure on research and development in developing countries, in particular low-income countries and least developed countries. Specific attention was given to strengthening the role of the private sector, given that private investment in research and development in developing countries was often very low. Participants considered the need to establish national targets for gross expenditure on research and development as a percentage of gross domestic product (GDP). In some African countries, the target was based on regional agreements, for example, the Lagos Plan of Action for the Economic Development of Africa (1980-2000) of the Organization of African Unity and Africa's Science and Technology Consolidated Plan of Action adopted in 2005 by the New Partnership for Africa's Development and the African Union, both of which had set a minimum floor for gross expenditure on research and development at 1 per cent of GDP.

14. Speakers noted the need to encourage national technology development and international technology transfer, which could help to overcome technology gaps between countries.

15. Several participants noted that the Commission had helped to raise the visibility of the role of science, technology and innovation and information and communications technology in sustainable development and requested the Commission to continue its efforts in that regard. Others acknowledged the role of UNCTAD and the United Nations Educational, Scientific and Cultural Organization specifically, and the wider United Nations system more generally, in supporting the development of science, technology and innovation capacity in developing countries.

Promoting private sector investment in science, technology and innovation

16. It was said that many countries faced the challenge of how to promote private sector or enterprise development and encourage private sector investment in science, technology and innovation. Most speakers agreed that a dynamic private sector was essential to promoting sustainable development. They identified many

policy tools that could be used to build dynamic enterprises and encourage them to invest in the adoption of improved technology, skills development and innovation. They included promoting the development of small and medium-sized enterprises and entrepreneurship; instituting financing schemes for innovation or for research and development; providing tax credits for research and development; creating incubators or science and technology parks; developing clusters; using public-private partnerships; establishing national innovation days or innovation prizes or awards; promoting collaboration between industry and research institutes or broader linkages between industry, research institutes and Government; promoting both national and international technology transfer and diffusion; developing appropriate and well-functioning intellectual property rights systems; establishing technology transfer offices in universities; building linkages to foreign direct investment and foreign enterprises; and providing good basic infrastructure.

Reinforcing international collaboration

17. Speakers pointed out that international support, collaboration and partnerships in science and technology were crucial to achieving the sustainable development goals. Good global governance of research was necessary to overcome what was referred to as the North-South divide in research and science. Specific examples were provided of bilateral or multi-partner forms of international cooperation, including South-South, North-South and triangular cooperation. Participants expressed support for the proposal of the Secretary-General to forge a new United Nations partnership to facilitate the development of science, technology and innovation as a means of implementing the sustainable development goals. A speaker noted the importance of enterprises participating in regional and global value chains.

Creating jobs and developing human capital

18. There was general consensus that creating more jobs, in particular for young people, was a prerequisite for achieving the sustainable development goals. Participants highlighted the issue of youth unemployment and the need for the younger generation to build appropriate skills through science, technology and innovation. During the panel discussion on the priority themes, a panellist highlighted the role of vocational training institutions in preparing the future workforce, providing the example of the vocational training system in Germany, where students built their knowledge and skills simultaneously, in vocational training centres, at the workplace and in inter-company training centres. Such a system responded to the needs of the market by creating the skills that employers demanded.

19. Participants observed that information and communications technology could contribute to addressing the problem of unemployment. A panellist referred to the range of new connectivity-based businesses emerging in developing countries and their potential for job creation. Realizing the potential of those businesses would require affordable and reliable power, easy and affordable access to the requisite technology and capital goods, a supportive regulatory environment, programmes for skills development and an ability to make trusted and verifiable payments. At the same time, Governments needed to ensure that that digital work was done in accordance with national labour laws and tax regimes. Another speaker stressed that the economic impact of information and communications technology would have

higher multiplier effects, especially in terms of job creation, in areas in which there was higher digitization, i.e., those in which the level of access was higher, the work force more skilled and the information and communications technology infrastructure more reliable.

Using strategic foresight for the post-2015 development agenda

20. The panel noted that strategic foresight could be a useful tool in the transition from the Millennium Development Goals to the sustainable development goals. Strategic foresight was defined as the study and evaluation of future trends and “megatrends” in global development, together with their potential social, environmental and economic impacts. It could be a powerful tool to help policymakers and stakeholders to make better decisions. The panellists noted that the value of strategic foresight in the post-2015 development agenda would depend on how it was undertaken. Drawing on strategic foresight experiences in Latin America and Africa, the panellists identified good practices and lessons learned when conducting strategic foresight.

21. One panellist cited examples from the work of the Inter-American Dialogue, which had registered more than 800 long-term global and sector-specific foresight studies with a focus on Latin America. Those studies helped countries to identify the implications of global trends on national goals and strategies. In Latin America, the foresight exercises provided important ideas about possible instruments for achieving national goals. A key challenge was strengthening the link between the foresight findings and the decision-making process. In that context, the panellist underscored the importance of new institutions dedicated to foresight within governmental and non-governmental bodies to integrate foresight and strategic capacity into policymaking, which called for a high level of political commitment.

22. Another panellist focused on the lessons learned from the South African Node of the Millennium Project, a global, participatory futures research think tank, saying that Africa had a rich legacy of foresight exercises that had helped policymakers to identify the development challenges and opportunities that were specifically relevant for the continent. The panellist noted, however, that many of the foresight exercises were not accompanied by specific policy action, which could limit their impact and decrease their legitimacy. An absence of specific policy actions made it difficult to monitor and evaluate foresight to determine its value or effective contribution to development. The panellist highlighted the need to further democratize, systematize, institutionalize and operationalize foresight exercises to increase their impact on the development agenda. The panellist also drew attention to the Foresight for Development digital platform (www.foresightfordevelopment.org), which provided a repository of the most important and influential regional foresight content from futures practice, activities and sources.

23. A panellist highlighted four key trends emerging from the existing global foresight exercises that would be relevant to the implementation of sustainable development goals: the use of innovative technologies in education; the constraints on natural resource availability and the emergence of new paths of industrialization; the rise of emerging economies; and the demand for better governance. There was general consensus that inclusive and transparent foresight could generate national debates that would inform and educate public opinion and help to devise strategies consistent with national realities.

Integrating the gender dimension

24. A panellist underscored the need to apply a gender perspective when conducting strategic foresight. Given that women and men played different roles in the family and the community, the gender dimension was a major aspect of contextualizing development strategies. The emerging technology trends that could have an impact on the post-2015 development agenda needed to be considered in the light of the fact that the issues were experienced differently by women and men. Strategic foresight should therefore be conducted in a disaggregated manner.

Facilitating effective digital development

25. The panel agreed that information and communications technology was intricately linked to the core themes of the emerging sustainable development goals: transformation, sustainability and inclusivity. Changing digital technology was having transformative impacts on many facets of society. The panel discussed the transformation in the economy (in terms of creating jobs and new business models) and in politics (in terms of improving accountability and promoting participatory governance). With regard to inclusiveness, information and communications technology could contribute to bridging inequalities; conversely, information and communications technology could lead to new inequalities owing to a lack of digital access and capabilities. Efforts were therefore needed to improve the digital capabilities, competencies and complementary skills of populations. Information and communications technology could promote sustainability in other sectors (through smart applications) and build overall resilience. Panellists noted that information and communications technology was becoming a pervasive foundation for all aspects of development policy. In that context, participants highlighted the importance of strengthening all components of the digital ecosystem — technological infrastructure, data infrastructure, financial infrastructure, institutional infrastructure and human infrastructure — to ensure maximum multiplier effects of information and communications technology.

Harnessing the big data revolution

26. The participants in the round table discussed the role of the global science, technology and innovation community in exploiting the full potential of the “big data revolution” in implementing the sustainable development goals. The science, technology and innovation community could create more tools to convert data into policy-relevant information, which would contribute to more accurate analyses of developmental problems. Science, technology and innovation could also facilitate the transfer of disaggregated data across borders. The representative of CERN suggested that the organization could assist in the United Nations data revolution initiatives, in terms of knowledge and technology.

Improving policy coherence and effectiveness

27. Another key area of concern was establishing effective national institutional frameworks for organizing or “governing” science, technology and innovation policies. Speakers reported wide diversity in national arrangements. Many participants agreed, however, that science, technology and innovation policy cut across ministries, departments and agencies, which meant that a “whole-of-government” approach, or effective means of coordination across those bodies, was

critical to achieving significant impact from investment in science, technology and innovation.

28. A number of speakers observed that national science, technology and innovation plans and strategies were a useful tool for promoting sustainable development, given that they helped countries to identify areas of high priority and the means for making progress. In turn, those priorities provided a means of channelling their limited resources into a manageable policy agenda. Speakers from Africa referenced regional efforts to promote science, technology and innovation development, notably the Science, Technology and Innovation Strategy for Africa 2024, adopted by the African Union in 2014. A participant noted the need for coherence between science, technology and innovation policy and other key national policies to maximize the development impact of science, technology and innovation policy action. Several speakers stressed that policy leadership and adequate policy continuity could facilitate more effective science, technology and innovation planning and enable more stable science, technology and innovation investment patterns, among both private enterprises and the public sector. Ensuring an adequate level of continuity in policy direction and in financing patterns was as important for progress in scientific research as it was for research institutes, including government ministries, departments and agencies, to operate effectively.

29. More broadly, the achievement of the sustainable development goals called for improved policy effectiveness in all sectors. Participants noted that the sustainable development goals were far more ambitious than the Millennium Development Goals; attaining them would require tremendous resources. Improved policy effectiveness and coherence could ameliorate the use of available resources. Science, technology and innovation could assist by helping to identify and promote evidence-based policies in all sectors.
